

YOU08PSI

TYPE OF RECORD:	PERMANENT
CATEGORY OF RECORD:	DEED
NAME OF PROPERTY OWNER OR GRANTOR OR GRANTEE:	BERT W., DAN L., AND GLEN R. YOUNGER
PURPOSE:	PUBLIC SAFETY INITIATIVE
ADDRESS:	302 SOUTH 7 <sup>TH</sup> STREET
TAX PARCEL #:	2945-144-32-004
CITY DEPARTMENT:	PUBLIC WORKS AND PLANNING
YEAR:	2008
EXPIRATION DATE:	NONE
DESTRUCTION DATE:	NONE

922425

**WARRANTY DEED**

**Bert W. Younger, Dan L. Younger, and Glen R. Younger**, Grantors for and in consideration of the sum of Three Hundred Twenty-One Thousand Six Hundred Seventy-Eight and 00/100 Dollars (\$321,678.00), the receipt and sufficiency of which is hereby acknowledged, has sold, granted and conveyed, and by these presents do hereby sell, grant and convey to **The City of Grand Junction, a Colorado home rule municipality**, whose address is 250 North 5th Street, Grand Junction, Colorado 81501, Grantee, its successors and assigns forever, the following described real property in the County of Mesa, State of Colorado, to wit:

The West 95 feet of Lots 9 and 10, Block 137, City of Grand Junction.

Commonly known as 302 South 7th Street, Grand Junction, CO 81501.

TO HAVE AND TO HOLD the premises aforesaid, with all and singular the rights, privileges, appurtenances and immunities thereunto belonging or in anywise appertaining, unto the said Grantee and unto its successors and assigns forever, the said Grantors hereby covenant that they will warrant and defend the title to said premises unto the said Grantee and unto its successors and assigns forever, against the lawful claims and demands of all persons whomsoever.

Executed and delivered this 7<sup>th</sup> day of November, 2008.

Bert W. Younger  
Bert W. Younger

Dan L. Younger  
Dan L. Younger

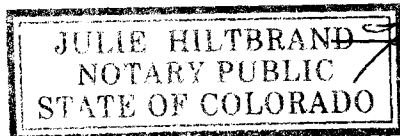
Glen R. Younger  
Glen R. Younger

State of Colorado )  
                                  )ss.  
County of Mesa     )

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of November, 2008, by Bert W. Younger, Dan L. Younger and Glen R. Younger.

My commission expires: 8-12-19

Witness my hand and official seal.



Julie Hiltbrand  
Notary Public

**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: October 29, 2008

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.

8  
9 **2. DEFINED TERMS.**

10  
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.**

13  
14 **b. Seller.** **Bert W. Younger, Dan L. Younger, and Glen R. Younger.**

15  
16 **c. Property.** The Property is the following legally described real estate:

17  
18 **2945-144-32-004:** The West 95 feet of Lots 9 and 10, Block 137, City of Grand Junction

19  
20 Commonly known as 302 South 7th Street, Grand Junction, CO 81501.

21  
22 Each of the foregoing Parcels shall be conveyed to Buyer together with all of the  
23 interests, easements, rights, benefits and privileges appurtenant thereto.

24  
25 **d. Dates and Deadlines.**

26

Item No.	Reference	Event	Date or Deadline
1	§5	Title Deadline	November 3, 2008
2	§6a.	Title Objection Deadline	November 4, 2008
3	§6b.	Off-Record Matters Deadline	November 3, 2008
4	§6b.	Off-Record Matters Objection Deadline	November 4, 2008
5	§7	Seller's Property Disclosure Deadline	November 3, 2008
6	§7b.	Inspection Objection Deadline	November 4, 2008
7	§7c.	Resolution Deadline	November 5, 2008
8	§21b.	City Council Ratification Deadline	November 5, 2008
9	§8	<b>Closing Date</b>	November 7, 2008
10	§13	Possession Date	January 15, 2009
11	§13	Possession Time	5:00 p.m. M.S.T.
12	§25	<b>Acceptance Deadline Date</b>	October 29, 2008
13	§25	<b>Acceptance Deadline Time</b>	5:00 p.m. M.S.T.

27  
28 **e. Attachments.** The following exhibits, attachments and addenda are a  
29 part of this contract: **Attachment "A": Seller's Property Disclosure** and  
30 **Attachment "B": Warranty Deed**

31  
32 **f. Applicability of Terms.** A check or similar mark in a box means that  
33 such provision is applicable. The abbreviation "N/A" means not applicable.

34  
35 **3. INCLUSIONS AND EXCLUSIONS.**

36  
37 **a.** The purchase price includes the following items ("Inclusions"):  
38 **(1) Fixtures.** None.

39  
40 **b. Instruments of Transfer.** The Inclusions are to be conveyed at Closing  
41 free and clear of all taxes, liens and encumbrances.

42  
43 **c. Exclusions.** The following attached fixtures are excluded from this sale:  
44 **N/A**

46 **4. PURCHASE PRICE AND TERMS.** The Purchase Price set forth below shall be  
 47 payable in U.S. Dollars by Buyer as follows:  
 48

Item No.	Reference	Item	Amount	Amount
1	§ 4	Purchase Price	\$ 321,678.00	
2	§ 4a	Earnest Money		\$ 10,000.00
3	§ 4b	Cash at Closing		\$ 311,678.00
4		TOTAL	\$ 321,678.00	\$ 321,678.00

49  
 50  
 51 **a. Earnest Money.** The Earnest Money set forth in this Section, in the form  
 52 of Buyer's check, is part payment of the Purchase Price and shall be payable to  
 53 and held by **Abstract & Title Company of Mesa County Inc.** ("Closing  
 54 Company"), in its trust account, on behalf of both Seller and Buyer. The parties  
 55 authorize delivery of the Earnest Money to the Closing Company at or before  
 56 closing.  
 57

58 **b. Cash at Closing.** All amounts paid by Buyer at Closing including Cash at  
 59 Closing, plus Buyer's closing costs, shall be in funds which comply with all  
 60 applicable Colorado laws, which include Buyer's check, cash, electronic transfer  
 61 funds, certified check, savings and loan teller's check and cashier's check ("Good  
 62 Funds").  
 63

64 **5. EVIDENCE OF TITLE.** On or before **Title Deadline** (§2d, Item 1), Seller shall  
 65 cause to be furnished to Buyer's City Attorney with a copy to Buyer's City Real Estate  
 66 Manager, at Seller's expense, a current commitment for owner's title insurance policy  
 67 ("Title Commitment") in an amount equal to the Purchase Price, together with true and  
 68 legible copies of all instruments referred to therein, including, but not limited to, true and  
 69 legible copies of any plats, declarations, covenants, conditions and restrictions  
 70 describing, affecting or burdening the Property and true and legible copies of any other  
 71 documents listed in the schedule of exceptions ("Exceptions"). Seller shall have the  
 72 obligation to furnish the documents pursuant to this subsection without any request or  
 73 demand by Buyer. The Title Commitment together with copies of such documents  
 74 furnished pursuant to this Section shall constitute the title documents ("Title  
 75 Documents"). The Title Commitment shall commit to delete or insure over the standard  
 76 exceptions which relate to:  
 77

- 78 (1) parties in possession,
- 79 (2) unrecorded easements,
- 80 (3) survey matters
- 81 (4) any unrecorded mechanics' liens,
- 82 (5) unpaid taxes, assessments and unredeemed tax sales prior to year of  
 83 Closing, and
- 84 (6) gap period (effective date of the Title Commitment to the date the deed is  
 85 recorded).  
 86

87 Any additional premium expense to obtain this additional coverage shall be paid  
 88 by Seller. Seller shall cause the title insurance policy to be delivered to Buyer as soon  
 89 as practicable, at or after Closing.  
 90

91 **6. TITLE.**

92  
 93 **a. Title Review.** Buyer shall have the right to inspect the Title Documents.  
 94 Written notice by Buyer to Seller of unmerchantability of title or of any other  
 95 unsatisfactory condition shown by the Title Documents shall be signed by or on  
 96 behalf of Buyer and given to Seller on or before the **Title Objection Deadline**  
 97 (§2d, Item 2), or within five (5) business days after receipt by Buyer of any Title  
 98 Document(s) or endorsement(s) adding new Exception(s) to the Title

99 Commitment together with a copy of the Title Document(s) adding new  
100 Exception(s) to title, whichever is later. If Buyer does not mail its notice by the  
101 date(s) specified above, Buyer shall be deemed to have accepted as satisfactory  
102 the condition of title as disclosed by the Title Documents.  
103

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

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

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

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

146 **b. Inspection Objection Deadline.** If the physical condition of the Property  
147 or Inclusions is unsatisfactory as determined by Buyer's sole and subjective  
148 discretion, Buyer shall, on or before the **Inspection Objection Deadline** (§2d,  
149 Item 6), either:  
150

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**  
161 **Objection Deadline** (§2d, Item 6), the physical condition of the Property  
162 and Inclusions shall be 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  
166 the **Resolution Deadline** (§2d, Item 7) excluding the post-closing  
167 inspection(s); this Contract shall terminate and all payments and things of value  
168 received hereunder shall be returned to Buyer, unless before such termination  
169 Seller receives Buyer's written withdrawal of the Notice to Correct.  
170

171 **8. CLOSING.** Delivery of deed from Seller to Buyer shall be on the date specified  
172 as the **Closing Date** (§2d, Item 9) or by mutual agreement at an earlier date ("Closing").  
173 The hour and place of Closing shall be as designated by mutual agreement between  
174 Seller and Buyer at Abstract & Title Company of Mesa County, Inc.  
175

176 **9. TRANSFER OF TITLE.** Subject to tender or payment at Closing as required  
177 herein and compliance by Buyer with the other terms and provisions hereof, Seller shall  
178 execute and deliver a good and sufficient General Warranty Deed to Buyer  
179 (**Attachment "B"**), at Closing, conveying the Property free and clear of all taxes except  
180 the general taxes for the year of Closing, all leases, all tenancies and all leasehold  
181 interests. Except as provided herein, title shall be conveyed free and clear of all liens,  
182 including any governmental liens for special improvements installed as of the date of  
183 Buyer's signature hereon, whether assessed or not. Title shall be conveyed subject to:  
184

185 **a.** those specific Exceptions described by reference to recorded documents  
186 as reflected in the Title Documents accepted by Buyer in accordance with §6a  
187 [Title Review];  
188

189 **b.** those specifically described rights of third parties not shown by the public  
190 records of which Buyer has actual knowledge and which were accepted by Buyer  
191 in accordance with §6b [Matters not Shown by the Public Records]; and  
192

193 **c.** no others.  
194

195 **10. PAYMENT OF ENCUMBRANCES.** Any encumbrance required to be paid shall  
196 be paid at or before Closing from the proceeds of this transaction or from any other  
197 source.  
198

199 **11. CLOSING COSTS; DOCUMENTS AND SERVICES.** Buyer and Seller shall pay,  
200 in Good Funds, their respective Closing costs and all other items required to be paid at  
201 Closing, except as otherwise provided herein. Buyer and Seller shall sign and complete  
202 all customary or reasonably required documents at or before Closing. Fees for real  
203 estate closing services shall be paid at Closing by One-Half by Buyer and One-Half by  
204 Seller. Any sales and use tax that may accrue because of this transaction shall be paid  
205 when due by Seller.  
206

207 **12. PRORATIONS.** The following shall be prorated to the **Closing Date** (§2d, Item  
208 9), except as otherwise provided:  
209

210 **a. Personal Property Taxes.** Personal property taxes, if any, shall be paid  
211 by Seller;  
212

213 **b. General Real Estate Taxes.** General real estate taxes shall be prorated  
214 to the Closing Date based on the most recent mill levy and the most recent  
215 assessment;  
216

217 **c. Utilities and Other Services.** Seller shall pay for all fees and charges for  
218 all utilities and services which have accrued as of the Closing Date. Buyer shall  
219 be responsible for all utilities fees and services which accrue thereafter.  
220

221 d. **Final Settlement.** Unless otherwise agreed in writing, these prorations  
222 shall be final.  
223

224 **13. POSSESSION.** Possession of the Property shall be delivered to Buyer on  
225 **Possession Date** (§2d, Item 10) and **Possession Time** (§2d, Item 11), free and clear  
226 of any and all leases and tenancies. If Seller, after Closing, fails to deliver possession  
227 as specified Seller shall be subject to eviction and shall be additionally liable to Buyer  
228 for payment of \$100.00 per day from the Possession Date until possession is delivered.  
229

230 **14. NOT ASSIGNABLE.** This Contract shall not be assignable by Buyer without  
231 Seller's prior written consent. Except as so restricted, this Contract shall inure to the  
232 benefit of and be binding upon the heirs, personal representatives, successors and  
233 assigns of both parties.  
234

235 **15. CONDITION OF AND DAMAGE TO THE PROPERTY AND INCLUSIONS.**  
236 Except as otherwise provided in this Contract, both the Property and the Inclusions shall  
237 be delivered in the condition existing as of the date of this Contract, ordinary wear and  
238 tear excepted.  
239

240 **16. LEGAL AND TAX COUNSEL; AMBIGUITIES.** (a) Buyer and Seller have each  
241 obtained the advise of its/their own legal and tax counsel regarding this Contract or has  
242 knowingly declined to do so. (b) The parties agree that the rule of construing  
243 ambiguities against the drafter shall have no application to this Contract.  
244

245 **17. TIME OF THE ESSENCE/REMEDIES.** Time is of the essence hereof. If any  
246 note or check received as Earnest Money hereunder or any other payment due  
247 hereunder is not paid, honored or tendered when due, or if any other obligation  
248 hereunder is not performed or waived as herein provided, there shall be the following  
249 remedies:  
250

251 a. **If Buyer is in Default,** the Earnest Money shall be paid to Seller and both  
252 parties shall thereafter be released from all obligations hereunder, except for the  
253 duties created by §7a. It is agreed that the Earnest Money is LIQUIDATED  
254 DAMAGES and is SELLER'S SOLE AND ONLY REMEDY for Buyer's failure to  
255 perform the obligations of this Contract. Seller expressly waives the remedies of  
256 specific performance and additional damages.  
257

258 b. **If Seller is in Default,** Buyer may elect to treat this Contract as canceled  
259 in which case all payments and things of value received hereunder shall be  
260 returned to Buyer and Buyer may: either recover such damages as may be  
261 proper, or Buyer may elect to treat this Contract as being in full force and effect  
262 and Buyer shall have the right to specific performance of damages, or both.  
263

264 c. **Costs and Expenses.** In the event of any arbitration or litigation relating  
265 to this Contract, each party shall share the costs of such arbitrator but otherwise  
266 all reasonable costs and expenses, including reasonable attorney fees, shall be  
267 paid by each respective party.  
268

269 **18. MEDIATION.** If a dispute arises relating to this Contract, prior to or after Closing,  
270 and is not resolved, the parties shall first proceed in good faith to submit the matter to  
271 mediation. Mediation is a process in which the parties meet with an impartial person  
272 who helps to resolve the dispute informally and confidentially. Mediators cannot impose  
273 binding decisions. The parties to the dispute must agree before any settlement is  
274 binding. The parties will jointly appoint an acceptable mediator and will share equally in  
275 the cost of such mediation. The mediation, unless otherwise agreed, shall terminate in  
276 the event the entire dispute is not resolved thirty (30) calendar days from the date  
277 written notice requesting mediation is sent by one party to the other. This section shall  
278 not alter any date in this Contract, unless otherwise agreed in writing.  
279

280 **19. EARNEST MONEY DISPUTE.** Notwithstanding any termination of this Contract,  
281 Buyer and Seller agree that, in the event of any controversy regarding the Earnest  
282 Money and things of value held by Closing Agent (unless mutual written instructions are

283 received by the holder of the Earnest Money and things of value), Closing Agent shall  
284 not be required to take any action but may await any proceeding, or at Closing Agent's  
285 option and sole discretion, may interplead all parties and deposit any moneys or things  
286 of value into the District Court of Mesa County, Colorado.  
287

288 **20. TERMINATION.** In the event this Contract is terminated, all payments and things  
289 of value received hereunder shall be returned and the parties shall be relieved of all  
290 obligations hereunder, subject to §7a (Inspection Costs), §17b (If Seller is in Default),  
291 §18 (Mediation), and §19 (Earnest Money Dispute).  
292

293 **21. ADDITIONAL PROVISIONS.**  
294

295 **a. Purchase in Lieu of Condemnation.** Buyer is a governmental authority  
296 and has determined that the purchase of the Property is necessary for the health,  
297 safety and welfare of the inhabitants of the City of Grand Junction; therefore,  
298 Buyer has the authority, pursuant to the laws of the State of Colorado, to acquire  
299 the Property through condemnation proceedings by exercising its power of  
300 eminent domain. Notwithstanding the preceding statements, Buyer desires to  
301 purchase the subject property through friendly negotiations and thereby avoid  
302 condemnation proceedings.  
303

304 **b. City Council Consent.** The execution of this Contract by the City  
305 Manager of the City of Grand Junction and Buyer's obligation to proceed under  
306 its terms and conditions is expressly conditioned upon and subject to the formal  
307 ratification, confirmation and consent of the Grand Junction City Council with  
308 regards to: (1) the terms, covenants, conditions, duties and obligations to be  
309 performed by Buyer in accordance with this Contract, and (2) the allocation of  
310 funds to pay the Purchase Price and all other costs and expenses necessary to  
311 perform Buyer's due diligence inspections of the Property. In the event such  
312 ratification, confirmation and consent is not obtained on or before the **City**  
313 **Council Ratification Deadline** (§2d, Item 8), this Contract shall automatically  
314 terminate, both parties shall thereafter be released from all obligations hereunder  
315 and the Earnest Money received hereunder shall be returned to Buyer.  
316

317 **c. No Fees or Commissions.** Buyer and Seller each warrant that no person  
318 or selling agency has been employed or retained to solicit or secure this Contract upon  
319 any agreement or understanding for a commission, percentage, brokerage or contingent  
320 fee. Each party agrees to defend, indemnify and hold the other party harmless from any  
321 claim for real estate brokerage commissions or finder's fees arising out of this Contract.  
322

323 **d. Instrument of Transfer.** Buyer and Seller each agree that title to the  
324 Property will be conveyed from Seller to Buyer in the exact form of the General  
325 Warranty Deed attached hereto as **Attachment "B"** and incorporated herein by  
326 reference.  
327

328 **e. Replacement Property.** This contract is for the acquisition by the Seller  
329 of "replacement property" pursuant to Section 1031 of the Internal Revenue Code.  
330 Buyer agrees to cooperate with Seller in such exchange and to sign and deliver to  
331 Seller any and all documents reasonably required to complete Seller's exchange.  
332 Buyer shall have no expense, fee or other obligations as a result of the Seller's  
333 exchange and the Exchange Agreement.  
334

335 **22. ENTIRE AGREEMENT; SUBSEQUENT MODIFICATION; SURVIVAL.** This  
336 Contract constitutes the entire contract between the parties relating to the subject  
337 hereof and any prior agreements pertaining thereto, whether oral or written, have been  
338 merged and integrated into this Contract. No subsequent modification of any of the  
339 terms of this Contract shall be valid or binding upon the parties or enforceable unless  
340 made in writing and signed by the parties. Any obligation in this Contract which by its  
341 terms is intended to be performed after termination or Closing shall survive the same.  
342



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

346  
347 **24. NOTICE.** Except for the notice requesting mediation described in §18, any notice to  
348 Buyer shall be effective when received by Buyer and any notice to Seller shall be effective when  
349 received by Seller.

350  
351 **25. NOTICE OF ACCEPTANCE; COUNTERPART.** This proposal shall expire unless  
352 accepted in writing, by Buyer and Seller, as evidenced by their signatures below, and the  
353 offering party receives notice of such acceptance pursuant to §24 on or before **Acceptance**  
354 **Deadline Date** (§2d, Item No. 12) and **Acceptance Deadline Time** (§2d, Item No. 13). If  
355 accepted, this document shall become a contract between Seller and Buyer, subject to  
356 ratification by the Grand Junction City Council (§21 a.).

357  
358 THE CITY OF GRAND JUNCTION, a Colorado home rule municipality, Buyer:

359  
360 By:   
361 Laurie Kadrach, City Manager

362  
363 Date of Buyer's signature: October 29, 2008.

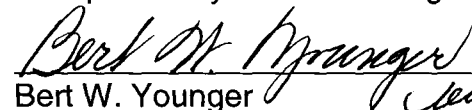
364  
365 Buyer's Address: City Attorney, 250 North 5<sup>th</sup> Street, Grand Junction, CO 81501  
366 With Copy to: City Real Estate Manager, 250 North 5<sup>th</sup> Street, Grand Junction, CO 81501

367  
368 Buyer's Telephone Number: City Attorney: (970) 244-1506  
369 City Real Estate Manager: (970) 244-1538

370  
371 Buyer's Fax No.: City Attorney: (970) 244-1456  
372 City Real Estate Manager: (970) 256-4022

373  
374 **[NOTE: If this offer is being countered or rejected, do not sign this document.**  
375 **Refer to § 26.]**

376  
377  
378 Acceptance by Bert W. Younger, Buyer:

379  
380   
381 Bert W. Younger *leg*

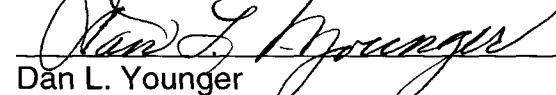
382  
383 Date of Seller's signature: October 29, 2008.

384  
385 Seller's Address: 302 South 7th Street, Grand Junction, CO 81501

386  
387 Seller's Telephone Number: (970) 243-3040

388  
389 Seller's Fax No.: ( ) \_\_\_\_\_

390  
391  
392 Acceptance by Dan L. Younger, Buyer:

393  
394   
395 Dan L. Younger

396  
397 Date of Seller's signature: October 29, 2008.

398  
399 Seller's Address: 302 South 7th Street, Grand Junction, CO 81501

400  
401 Seller's Telephone Number: (970) 856-3040

402  
403 Seller's Fax No.: ( ) \_\_\_\_\_

404  
405

406 Acceptance by Glen R. Younger, Buyer:

407 *Glen R. Younger*  
408  
409 Glen R. Younger

410  
411 Date of Seller's signature: *Oct 29,*, 2008.

412  
413 Seller's Address: 302 South 7th Street, Grand Junction, CO 81501

414  
415 Seller's Telephone Number: *970) 242-5759-0 245-5357-H*

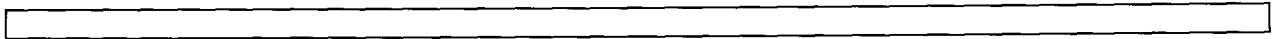
416  
417 Seller's Fax No.: *970) 243-3040*

418  
419  
420 **26. COUNTER; REJECTION.** This offer is  **Countered**  **Rejected.**

421  
422 **Initials only of party (Buyer or Seller) who countered or rejected offer:** \_\_\_\_\_

423  
424  
425  
426  
427

**END OF CONTRACT**



**ATTACHMENT "A"**

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

**SELLER'S PROPERTY DISCLOSURE**

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: October 29, 2008

Property Address: 302 South 7th Street, Grand Junction, CO 81501

Sellers: Bert W. Younger, Dan L. Younger, and Glen R. Younger

**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: Wally Albertson Telephone: 970-243-3040  
Mailing Address: 302 S. 7th Street, Grand Junction, CO 81501  
Date use or occupancy began: Summer of 1965 - present  
Type of use or occupancy: residential/office

b. Name: Glen R. Younger DBA Colorado Bonding Telephone: 970-242-5759  
Mailing Address: 302 S. 7th St. Grand Junction, CO 81501  
Date use or occupancy began: August 1973 - present  
Type of use or occupancy: Bail Bond Office

**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: Charles W. Younger (deceased) Telephone: 970-242-5759  
Mailing Address: 302 S. 7th St. Grand Junction, CO 81501  
Beginning & Ending Dates: 1965-1973  
Type of use or occupancy: DBA Colorado Bonding

**Section 1 (continued)**

b. Name: \_\_\_\_\_ Telephone: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Beginning & Ending Dates: \_\_\_\_\_

Type of use or occupancy: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

c. Name: \_\_\_\_\_ Telephone: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Beginning & Ending Dates: \_\_\_\_\_

Type of use or occupancy: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

d. Name: \_\_\_\_\_ Telephone: \_\_\_\_\_

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:**

*Ingress Egress easement for property adjacent to  
the south of 302 S. 7<sup>th</sup> Street Grand Junction, CO.*

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

*As mentioned above*

**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?

<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	I don't know
-------------------------------------	-----	--------------------------	----	--------------------------	--------------

If yes, please indicate the source:

<input checked="" type="checkbox"/>	Public	<input type="checkbox"/>	Community	<input type="checkbox"/>	Well	<input type="checkbox"/>	Shared Well	<input type="checkbox"/>	Cistern	<input type="checkbox"/>	None	<input type="checkbox"/>	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?

<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	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?

<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	I don't know
-------------------------------------	-----	--------------------------	----	--------------------------	--------------

If yes, please indicate the type of system:

<input checked="" type="checkbox"/>	Public	<input type="checkbox"/>	Septic System	<input type="checkbox"/>	None	<input type="checkbox"/>	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?

<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	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:

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(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:

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(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: \_\_\_\_\_

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**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: \_\_\_\_\_

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(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?

<input type="checkbox"/>	<b>Yes</b>	<input checked="" type="checkbox"/>	<b>No</b>	<input type="checkbox"/>	<b>I don't know</b>
--------------------------	------------	-------------------------------------	-----------	--------------------------	---------------------

If yes, please describe the types of containers and, if known, please describe the substances stored in the containers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

<input checked="" type="checkbox"/>	<b>Yes</b>	<input type="checkbox"/>	<b>No</b>	<input type="checkbox"/>	<b>I don't know</b>
-------------------------------------	------------	--------------------------	-----------	--------------------------	---------------------

If yes, please describe the locations and types of materials placed in each: There is presently and has been "grease-trap" in sewer line.  
\_\_\_\_\_  
\_\_\_\_\_

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

<input type="checkbox"/>	<b>Yes</b>	<input checked="" type="checkbox"/>	<b>No</b>	<input type="checkbox"/>	<b>I don't know</b>
--------------------------	------------	-------------------------------------	-----------	--------------------------	---------------------

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

**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.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Seller's Initials Ben

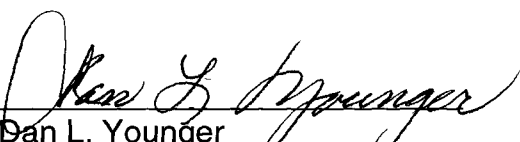
**ADVISORY TO SELLER:**

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

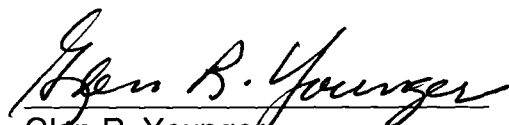
The information contained in this Disclosure has been furnished by Seller, who certifies to the truth thereof based on Seller's CURRENT ACTUAL KNOWLEDGE. Any changes will be disclosed by Seller to Buyer promptly after discovery.

  
Bert W. Younger

Date of Sellers Signature: October 29, 2008

  
Dan L. Younger

Date of Sellers Signature: October 29, 2008

  
Glen R. Younger

Date of Sellers Signature: October 29, 2008

Buyer hereby acknowledges the receipt of this Disclosure:

\_\_\_\_\_

Date of Buyer's Signature: \_\_\_\_\_

Seller's Initials BWY  
DLY  
GRY



WARRANTY DEED

Bert W. Younger, Dan L. Younger, and Glen R. Younger, Grantors for and in consideration of the sum of Three Hundred Twenty-One Thousand Six Hundred Seventy-Eight and 00/100 Dollars (\$321,678.00), the receipt and sufficiency of which is hereby acknowledged, has sold, granted and conveyed, and by these presents do hereby sell, grant and convey to The City of Grand Junction, a Colorado home rule municipality, whose address is 250 North 5th Street, Grand Junction, Colorado 81501, Grantee, its successors and assigns forever, the following described real property in the County of Mesa, State of Colorado, to wit:

The West 95 feet of Lots 9 and 10, Block 137, City of Grand Junction.

Commonly known as 302 South 7th Street, Grand Junction, CO 81501.

TO HAVE AND TO HOLD the premises aforesaid, with all and singular the rights, privileges, appurtenances and immunities thereunto belonging or in anywise appertaining, unto the said Grantee and unto its successors and assigns forever, the said Grantors hereby covenant that they will warrant and defend the title to said premises unto the said Grantee and unto its successors and assigns forever, against the lawful claims and demands of all persons whomsoever.

Executed and delivered this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
Bert W. Younger

\_\_\_\_\_  
Dan L. Younger

\_\_\_\_\_  
Glen R. Younger

State of Colorado     )  
                                  )ss.  
County of Mesa        )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2008, by Bert W. Younger, Dan L. Younger and Glen R. Younger.

My commission expires: \_\_\_\_\_.

Witness my hand and official seal.

\_\_\_\_\_  
Notary Public

302 S. 7th St

# OWNER'S POLICY OF TITLE INSURANCE

Issued by **Lawyers Title Insurance Corporation**

POLICY NUMBER

**C29-0241696**



*Lawyers Title Insurance Corporation is a member of the LandAmerica family of title insurance underwriters.*

**Any notice of claim and any other notice or statement in writing required to be given to the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.**

### COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, LAWYERS TITLE INSURANCE CORPORATION, a Nebraska corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
  - (a) A defect in the Title caused by
    - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
    - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
    - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
    - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
    - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
    - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
    - (vii) a defective judicial or administrative proceeding.
  - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
  - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (a) the occupancy, use, or enjoyment of the Land;
  - (b) the character, dimensions, or location of any improvement erected on the Land;
  - (c) the subdivision of land; or
  - (d) environmental protection
 if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
  - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
  - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
    - (i) to be timely, or
    - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

**IN WITNESS WHEREOF**, the Company has caused this Policy to be signed with the facsimile signatures of its President and Secretary and sealed as required by its By-Laws.

**LAWYERS TITLE INSURANCE CORPORATION**

Attest:

*[Signature]*  
Secretary



By:

*[Signature]*  
President

## 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 that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
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 (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - (a) a fraudulent conveyance or fraudulent transfer; or
  - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

## CONDITIONS

### 1 DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Insured": The Insured named in Schedule A.
  - (i) The term "Insured" also includes
    - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
    - (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
    - (C) successors to an Insured by its conversion to another kind of Entity;
    - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
      - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
      - (2) if the grantee wholly owns the named Insured,
      - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
      - (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
  - (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": An Insured claiming loss or damage.
- (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.

(g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

(h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

(i) "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 Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

(j) "Title": The estate or interest described in Schedule A.

(k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

### 2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation 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 warranties in any transfer or conveyance of the Title. 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 obligation 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 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's

# Owner's Policy of Title Insurance - Schedule A

Issued by **Lawyers Title Insurance Corporation**



*Lawyers Title Insurance Corporation is a member of the LandAmerica family of title insurance underwriters*

Lawyers Title Insurance Corporation  
5600 Cox Road  
Glen Allen, Virginia 23060

File No.: **00922425**

Policy No.: **C29-0241696**

Amount of Insurance: **\$321,678.00**

Premium: **\$1,035.00**

Date of Policy: **November 10, 2008 at 11:42 A.M.**

1. Name of Insured:

**The City of Grand Junction, a Colorado home rule municipality**

2. The estate or interest in the Land that is insured by this policy is:

**Fee Simple**

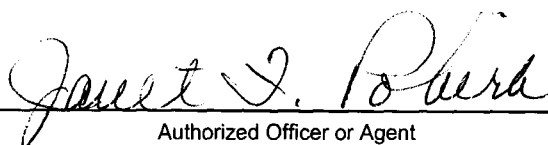
3. Title is vested in:

**The City of Grand Junction, a Colorado home rule municipality**

4. The Land referred to in this policy is described as follows:

**The West 95 feet of Lots 9 and 10 in  
Block 137 of  
CITY OF GRAND JUNCTION**

Countersigned by:

  
\_\_\_\_\_  
Authorized Officer or Agent

## Conditions Continued

liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

### 4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that 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.

### 5. DEFENSE AND PROSECUTION OF ACTIONS

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters 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. It 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 that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, 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 to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

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

### 6. DUTY OF INSURED CLAIMANT TO COOPERATE

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right 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 securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter 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.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that 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 of these records in the custody or control of a third party that 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 any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

### 7. 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 that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.

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

(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. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that 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 that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (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.

### 8. DETERMINATION AND EXTENT OF LIABILITY

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.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of

(i) the Amount of Insurance; or

(ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,

(i) the Amount of Insurance shall be increased by 10%, and

(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

### 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 Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(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

## Conditions Continued

determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.

(c) The Company shall not be liable for loss or damage to the 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 Insurance by the amount of the payment.

### 11. LIABILITY NONCUMULATIVE

The Amount of Insurance shall be reduced by any amount the Company pays 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 executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

### 12. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

### 13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

(a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. 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 and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

### 14. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons.

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 in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is

\$2,000,000 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 \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

### 15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

(a) This policy together with all endorsements, if any, attached to it 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 that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

### 16. SEVERABILITY

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

### 17. CHOICE OF LAW; FORUM

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

### 18. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this Policy must be given to the Company at: Consumer Affairs Department PO Box 27567 Richmond, Virginia 23261-7567.

## THANK YOU.

Title insurance provides for the protection of your real estate investment. We suggest you keep this policy in a safe place where it can be readily available for future reference.

If you have questions about title insurance or the coverage provided by this policy, contact the office that issued this policy, or you may call or write:

Lawyers Title Insurance Corporation  
Consumer Affairs  
P.O. Box 27567  
Richmond, Virginia 23261-7567  
telephone, toll free: 800 446-7086  
web: www.landam.com

We thank you for choosing to do business with Lawyers Title Insurance Corporation, and look forward to meeting your future title insurance needs.

### Lawyers Title Insurance Corporation

is a member of the LandAmerica family of title insurance underwriters.



## Lawyers

Attached to Policy No. **C29-0241696**

Provided there is situated on the land described under Schedule A of the Policy a single family residence, the policy is hereby amended as follows:

Notwithstanding anything therein to the contrary, the policy insures against loss or damage by reason of the following:

1. Any unfiled lien for labor or material furnished for improvements on the land (except for any such lien arising out of construction contracted for or assumed by the insured), provided construction of all improvements is completed at date of policy.
2. Rights or claims of parties in possession of the principal dwelling.
3. The enforced removal of the principal dwelling on account of, at Date of Policy:
  - (a) Any encroachment of said principal dwelling onto adjoining lands or onto any easement shown as an exception in Schedule B or onto any unrecorded subsurface easement.
  - (b) Any violation of building setback lines or covenants, conditions or restrictions referred to in Schedule B of the Policy.
  - (c) Any violation of any zoning ordinance if the land is used only for a single family residence.

The term "principal dwelling" means any single-family residential structure on the land whether detached or not. If the principal dwelling is a condominium unit it refers to the space within the boundaries of the unit. Additional improvements and areas such as outbuildings, detached garages, fences, driveways, retaining walls, plants and common areas are not included within this definition. The term "zoning ordinance" does not include building codes, occupancy regulations and subdivision laws.

This endorsement is made a part of the Policy and is subject to all the terms and provisions thereof and of any prior endorsement thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and prior endorsements, if any, nor does it extend the effective date of the Policy and prior endorsements or increase the face amount thereof.

Dated: **November 10, 2008**

**LAWYERS TITLE INSURANCE CORPORATION**

By   
Authorized Signature