

RESOLUTION NO. 34-10

A RESOLUTION AUTHORIZING THE SALE BY THE CITY OF GRAND JUNCTION,
COLORADO, OF CERTAIN REAL PROPERTY;
RATIFYING ACTIONS HERETOFORE TAKEN IN CONNECTION THEREWITH,
LOCATED AT 635 GRAND AVENUE

Recitals:

The City of Grand Junction has entered into a contract with Salon Capelli LLC for the sale by the City of that certain real property described as Lots 9 and 10, inclusive, Block 83 of the Original Plat of the City of Grand Junction, County of Mesa, State of Colorado, also known as 635 Grand Avenue ("Property" or "the Property.")

The City Council Property Committee has reviewed the proposed sale and a majority of the members of the Committee recommend the sale on the terms established.

The City Council must consider the recommendation of the Property Committee and if that recommendation is favorably considered by a majority of the City Council, then the Council must ratify the sales agreement.

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

1. That the City Council hereby authorizes the sale of the Property by the City to Salon Capelli LLC for \$65,000.00.
2. All actions heretofore taken by the officers, employees and agents of the City relating to the purchase of the Property which are consistent with the provisions of the attached Contract to Buy and Sell Real Estate and this Resolution are hereby ratified, approved and confirmed.
3. That the officers, employees and agents of the City are hereby authorized and directed to take all actions necessary or appropriate to effectuate the provisions of this Resolution and the attached Contract to buy and Sell Real Estate, including but not limited to the delivery of the deed.

PASSED and ADOPTED this 16th day of August, 2010.

/s/: Teresa Coons
President of the City Council

Attest:

/s/: Stephanie Tuin
City Clerk

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission.
(CBS1-5-09) (Mandatory 7-09)

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

CONTRACT TO BUY AND SELL REAL ESTATE

Date: _____

1. **AGREEMENT.** Buyer agrees to buy, and Seller agrees to sell, the Property defined below on the terms and conditions set forth in this contract (Contract).

2. **DEFINED TERMS.**

2.1. **Buyer.** Buyer, SALON CAPELLI, LLC, will take title to the real property described below as **Joint Tenants** **Tenants In Common** **Other**

2.2. **Property.** The Property is the following legally described real estate in the County of MESA, Colorado:
LOTS 9 & 10 BLOCK 83 OF THE CITY OF GRAND JUNCTION, MESA COUNTY, STATE OF COLORADO
("Property")

known as No. 635 GRAND AVENUE, GRAND JUNCTION, CO 81501
Street Address City State Zip

together with the interests, easements, rights, benefits, improvements and attached fixtures appurtenant thereto, and all interest of Seller in vacated streets and alleys adjacent thereto, except as herein excluded.

2.3. **Dates and Deadlines.**

Item No.	Reference	Event	Date or Deadline
1	§ 4.2.1	Alternative Earnest Money Deadline	NOT APPLICABLE ("N/A")
2	§ 5.1	Loan Application Deadline	N/A
3	§ 5.2	Loan Conditions Deadline	N/A
4	§ 5.3	Buyer's Credit Information Deadline	N/A
5	§ 5.3	Disapproval of Buyer's Credit Information Deadline	N/A
6	§ 5.4	Existing Loan Documents Deadline	N/A
7	§ 5.4	Existing Loan Documents Objection Deadline	N/A
8	§ 5.4	Loan Transfer Approval Deadline	N/A
9	§ 6.2.2	Appraisal Deadline	N/A
10	§ 6.2.2	Appraisal Objection Deadline	N/A
11	§ 7.1	Title Deadline	N/A
12	§ 7.2	Document Request Deadline	N/A
13	§ 7.3	Survey Deadline	N/A
14	§ 7.4.4.1	CIC Documents Deadline	N/A
15	§ 7.4.5	CIC Documents Objection Deadline	N/A
16	§ 8.1	Title Objection Deadline	N/A
17	§ 8.2	Off-Record Matters Deadline	N/A
18	§ 8.2	Off-Record Matters Objection Deadline	N/A
19	§ 8.3.2	Survey Objection Deadline	N/A
20	§ 8.6	Right of First Refusal Deadline	N/A
21	§ 10.1	Seller's Property Disclosure Deadline	N/A
22	§ 10.2	Inspection Objection Deadline	N/A
23	§ 10.3	Inspection Resolution Deadline	N/A
24	§ 10.5	Property Insurance Objection Deadline	N/A
25	§ 12	Closing Date	AUGUST 31, 2010
26	§ 17	Possession Date	AUGUST 31, 2010
27	§ 17	Possession Time	UPON CLOSING
28	§ 32	Acceptance Deadline Date	
29	§ 32	Acceptance Deadline Time	

2.4. **Applicability of Terms.** A check or similar mark in a box means that such provision is applicable. The abbreviation "N/A" or the word "Deleted" means not applicable and when inserted on any line in **Dates and Deadlines** (§ 2.3), means that the corresponding provision of the Contract to which reference is made is deleted. The abbreviation "MEC" (mutual execution of this Contract) means the date upon which both parties have signed this Contract.

28 **2.5. Day; Computation of Period of Days, Deadline.**
 29 **2.5.1. Day.** As used in this Contract, the term "day" shall mean the entire day ending at 11:59 p.m., United States Mountain Time
 30 (Standard or Daylight Savings as applicable).

31 **2.5.2. Computation of Period of Days, Deadline.** In computing a period of days, when the ending date is not specified, the first day
 32 is excluded and the last day is included, e.g., three days after MEC. If any deadline falls on a Saturday, Sunday or federal or Colorado state holiday
 33 (Holiday), such deadline **Shall** **Shall Not** be extended to the next day that is not a Saturday, Sunday or Holiday. Should neither box be
 34 checked, the deadline shall not be extended.

35 **3. INCLUSIONS AND EXCLUSIONS.**

36 **3.1. Inclusions.** The Purchase Price includes the following items (Inclusions):

37 **3.1.1. Fixtures.** If attached to the Property on the date of this Contract, lighting, heating, plumbing, ventilating, and air conditioning
 38 fixtures, TV antennas, inside telephone, network and coaxial (cable) wiring and connecting blocks/jacks, plants, mirrors, floor coverings, intercom
 39 systems, built-in kitchen appliances, sprinkler systems and controls, built-in vacuum systems (including accessories), garage door openers including
 40 N/A remote controls; and N/A

41 **3.1.2. Personal Property.** The following are included if on the Property whether attached or not on the date of this Contract: storm
 42 windows, storm doors, window and porch shades, awnings, blinds, screens, window coverings, curtain rods, drapery rods, fireplace inserts,
 43 fireplace screens, fireplace grates, heating stoves, storage sheds, and all keys. If checked, the following are included: **Water Softeners**
 44 **Smoke/Fire Detectors** **Security Systems** **Satellite Systems** (including satellite dishes).

45 **3.1.3. Other Inclusions.**

46 N/A

47 The Personal Property to be conveyed at Closing shall be conveyed by Seller free and clear of all taxes (except personal property taxes
 48 for the year of Closing), liens and encumbrances, except N/A. Conveyance shall be by bill of sale or
 49 other applicable legal instrument.

50 **3.1.4. Trade Fixtures.** With respect to trade fixtures, Seller and Buyer agree as follows:

51 N/A

52
 53 The Trade Fixtures to be conveyed at Closing shall be conveyed by Seller free and clear of all taxes (except personal property taxes for
 54 the year of Closing), liens and encumbrances, except N/A. Conveyance shall be by bill of
 55 sale or other applicable legal instrument.

56 **3.1.5. Parking and Storage Facilities.** **Use Only** **Ownership** of the following parking facilities: N/A ;
 57 and **Use Only** **Ownership** of the following storage facilities: N/A

58 **3.1.6. Water Rights, Water Interests, Water and Sewer Taps.** The following legally described water rights:

59 N/A

60 Any water rights shall be conveyed by N/A **Deed** **Other** applicable legal instrument.

61 **3.1.6.1.** If any water well is to be transferred to Buyer, Seller agrees to supply required information about such well to Buyer.
 62 Buyer understands that if the well to be transferred is a Small Capacity Well or a Domestic Exempt Water Well used for ordinary household
 63 purposes, Buyer shall, prior to or at Closing, complete a Change in Ownership form for the well. If an existing well has not been registered with
 64 the Colorado Division of Water Resources in the Department of Natural Resources (Division), Buyer shall complete a registration of existing well
 65 form for the well and pay the cost of registration. If no person will be providing a closing service in connection with the transaction, Buyer shall file
 66 the form with the Division within sixty days after Closing. The Well Permit # is N/A

67 **3.1.6.2. Water Stock Certificates:**

68 N/A

69 **3.1.6.3. Water Tap Sewer Tap** **Water Tap** **Sewer Tap**

70
 71 **Note:** Buyer is advised to obtain, from the provider, written confirmation of the amount remaining to be paid, if any, time and other restrictions for
 72 transfer and use of the tap.

73
 74
 75
 76 **3.1.7. Growing Crops.** With respect to growing crops, Seller and Buyer agree as follows:

77 N/A

78 **3.2. Exclusions.** The following items are excluded: N/A

79
 80 **4. PURCHASE PRICE AND TERMS.**

81 **4.1. 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	§ 4.1	Purchase Price	\$ 65,000.00	
2	§ 4.2	Earnest Money		\$ 1,000.00
3	§ 4.5	New Loan		\$ 64,000.00
4	§ 4.6	Assumption Balance		
5	§ 4.7	Seller or Private Financing		
6				
7				
8	§ 4.3	Cash at Closing		\$
9		TOTAL	\$	\$ 65,000.00

82

83 4.2. **Earnest Money.** The Earnest Money set forth in this section, in the form of PERSONAL CHECK, is part payment
84 of the Purchase Price and shall be payable to and held by BUYER (Earnest Money Holder), in
85 its trust account, on behalf of both Seller and Buyer. The Earnest Money deposit shall be tendered with this Contract unless the parties mutually
86 agree to an **Alternative Earnest Money Deadline** (§ 2.3) for its payment. If Earnest Money Holder is other than the Brokerage Firm identified in
87 § 34 or § 35 below, Closing Instructions signed by Buyer, Seller and Earnest Money Holder must be obtained on or before delivery of Earnest
88 Money to Earnest Money Holder. The parties authorize delivery of the Earnest Money deposit to the company conducting the Closing (Closing
89 Company), if any, at or before Closing. In the event Earnest Money Holder has agreed to have interest on Earnest Money deposits transferred to a
90 fund established for the purpose of providing affordable housing to Colorado residents, Seller and Buyer acknowledge and agree that any interest
91 accruing on the Earnest Money deposited with the Earnest Money Holder in this transaction shall be transferred to such fund.

92 4.2.1. **Alternative Earnest Money Deadline.** The deadline for delivering the Earnest Money, if other than at the time of tender of the
93 Contract is as set forth as the **Alternative Earnest Money Deadline** (§ 2.3).

94 4.3. **Form of Funds; Time of Payment; Funds Available.** All amounts payable by the parties at Closing, including any loan proceeds,
95 Cash at Closing and closing costs, shall be in funds that comply with all applicable Colorado laws, including electronic transfer funds, certified
96 check, savings and loan teller's check and cashier's check (Good Funds). All funds required to be paid at Closing shall be timely paid to allow
97 disbursement by Closing Company at Closing **OR SUCH PARTY SHALL BE IN DEFAULT**. Buyer represents that Buyer, as of the date of this
98 Contract, **Does** **Does Not** have funds that are immediately verifiable and available in an amount not less than the amount stated as Cash at
99 Closing in § 4.1.

100 4.4. **Seller Concession.** Seller, at Closing, shall pay or credit, as directed by Buyer, a total amount of \$ N/A to assist with
101 Buyer's closing costs, loan discount points, loan origination fees, prepaid items (including any amounts that Seller agrees to pay because Buyer is
102 not allowed to pay due to FHA, CHFA, VA, etc.), and any other fee, cost, charge, expense or expenditure related to Buyer's New Loan or other
103 allowable Seller concession (collectively, Seller Concession). The Seller Concession is in addition to any sum Seller has agreed to pay or credit
104 Buyer elsewhere in this Contract. If the amount of Seller Concession exceeds the aggregate of what is allowed, Seller shall not pay or be charged
105 such excess amount.

106 4.5. **New Loan.**

107 4.5.1. **Buyer to Pay Loan Costs.** Buyer, except as provided in § 4.4, if applicable, shall timely pay Buyer's loan costs, loan discount
108 points, prepaid items and loan origination fees, as required by lender.

109 4.5.2. **Buyer May Select Financing.** Buyer may select financing appropriate and acceptable to Buyer, including a different loan than
110 initially sought, except as restricted in § 4.5.3 or § 26, Additional Provisions.

111 4.5.3. **Loan Limitations.** Buyer may purchase the Property using any of the following types of loan: **Conventional** **FHA**
112 **VA** **Bond** **Other**

113 4.5.4. **Good Faith Estimate – Monthly Payment and Loan Costs.** Buyer is advised to review the terms, conditions and costs of
114 Buyer's New Loan carefully. If Buyer is applying for a residential loan, the lender generally must provide Buyer with a good faith estimate of
115 Buyer's closing costs within three days after Buyer completes a loan application. Buyer should also obtain an estimate of the amount of Buyer's
116 monthly mortgage payment. If the New Loan is unsatisfactory to Buyer, then Buyer may terminate this Contract pursuant to § 5.2 no later than
117 **Loan Conditions Deadline** (§ 2.3).

118 4.6. **Assumption.** Buyer agrees to assume and pay an existing loan in the approximate amount of the Assumption Balance set forth in
119 § 4.1, presently payable at \$ N/A per _____ including principal and interest presently at the rate of _____ % per
120 annum, and also including escrow for the following as indicated: **Real Estate Taxes** **Property Insurance Premium** **Mortgage**
121 **Insurance Premium** and

122 Buyer agrees to pay a loan transfer fee not to exceed \$ _____. At the time of assumption, the new interest rate shall not
123 exceed _____ % per annum and the new payment shall not exceed \$ _____ per _____ principal and interest, plus escrow,
124 if any. If the actual principal balance of the existing loan at Closing is less than the Assumption Balance, which causes the amount of cash required
125 from Buyer at Closing to be increased by more than \$ _____, then **Buyer May Terminate** this Contract effective upon receipt by
126 Seller of Buyer's written notice of termination or

127 Seller **Shall** **Shall Not** be released from liability on said loan. If applicable, compliance with the requirements for release from liability
128 shall be evidenced by delivery on or before Loan Transfer Approval Deadline at Closing of an appropriate letter of commitment from lender.
129 Any cost payable for release of liability shall be paid by _____ in an amount not to exceed \$ _____.

130 4.7. **Seller or Private Financing.** Buyer agrees to execute a promissory note payable to N/A, as
131 **Joint Tenants** **Tenants In Common** **Other**, on the
132 note form as indicated:

133 **(Default Rate)** NTD81-10-06 **Other** _____ secured by a

134 (1st, 2nd, etc.) deed of trust encumbering the Property, using the form as indicated:

135 **Due on Transfer – Strict** (TD72-9-08) **Due on Transfer – Creditworthy** (TD73-9-08) **Assumable – Not Due on Transfer** (TD74-9-
136 08) **Other**

137 The promissory note shall be amortized on the basis of _____ **Years** **Months**, payable at \$ _____ per
138 _____ including principal and interest at the rate of _____ % per annum. Payments shall commence _____
139 and shall be due on the _____ day of each succeeding _____. If not sooner paid, the balance of principal and accrued
140 interest shall be due and payable _____ after Closing. Payments **Shall** **Shall Not** be increased by
141 _____ of estimated annual real estate taxes, and **Shall** **Shall Not** be increased by _____ of estimated annual property insurance
142 premium. The loan shall also contain the following terms: (1) if any payment is not received within _____ days after its due date, a late charge
143 of _____ % of such payment shall be due; (2) interest on lender disbursements under the deed of trust shall be _____ % per annum; (3) default
144 interest rate shall be _____ % per annum; (4) Buyer may prepay without a penalty except _____; and (5) Buyer
145 **Shall** **Shall Not** execute and deliver, at Closing, a Security Agreement and UCC-1 Financing Statement granting the holder of the
146 promissory note a _____ (1st, 2nd, etc.) lien on the personal property included in this sale.

147 Buyer **Shall** **Shall Not** provide a mortgagee's title insurance policy, at Buyer's expense.

148 5. **FINANCING CONDITIONS AND OBLIGATIONS.**

149 5.1. **Loan Application.** If Buyer is to pay all or part of the Purchase Price by obtaining one or more new loans (New Loan), or if an existing
150 loan is not to be released at Closing, Buyer, if required by such lender, shall make a verifiable application by **Loan Application Deadline** (§ 2.3).

151 5.2. **Loan Conditions.** If Buyer is to pay all or part of the Purchase Price with a New Loan, this Contract is conditional upon Buyer
152 determining, in Buyer's subjective discretion, whether the New Loan is satisfactory to Buyer, including its availability, payments, interest rate,
153 terms, conditions, and cost of such New Loan. This condition is for the benefit of Buyer. If such New Loan is not satisfactory to Buyer, Seller must
154 receive written notice to terminate from Buyer, no later than **Loan Conditions Deadline** (§ 2.3), at which time this Contract shall terminate. **IF**
155 **SELLER DOES NOT TIMELY RECEIVE WRITTEN NOTICE TO TERMINATE, THIS CONDITION SHALL BE DEEMED**
156 **WAIVED, AND BUYER'S EARNEST MONEY SHALL BE NONREFUNDABLE, EXCEPT AS OTHERWISE PROVIDED IN THIS**
157 **CONTRACT** (e.g., Appraisal, Title, Survey).

158 5.3. **Credit Information and Buyer's New Senior Loan.** If Buyer is to pay all or part of the Purchase Price by executing a promissory
159 note in favor of Seller, or if an existing loan is not to be released at Closing, this Contract is conditional (for the benefit of Seller) upon Seller's
160 approval of Buyer's financial ability and creditworthiness, which approval shall be at Seller's subjective discretion. In such case: (1) Buyer shall
161 supply to Seller by **Buyer's Credit Information Deadline** (§ 2.3), at Buyer's expense, information and documents (including a current credit
162 report) concerning Buyer's financial, employment and credit condition and Buyer's New Senior Loan, defined below, if any; (2) Buyer consents
163 that Seller may verify Buyer's financial ability and creditworthiness; (3) any such information and documents received by Seller shall be held by
164 Seller in confidence, and not released to others except to protect Seller's interest in this transaction; (4) in the event Buyer is to execute a
165 promissory note secured by a deed of trust in favor of Seller, this Contract is conditional (for the benefit of Seller) upon Seller's approval of the
166 terms and conditions of any New Loan to be obtained by Buyer if the deed of trust to Seller is to be subordinate to Buyer's New Loan (Buyer's New
167 Senior Loan). Additionally, Seller shall have the right to terminate, at or before Closing, if the Cash at Closing is less than as set forth in § 4.1 of
168 this Contract or Buyer's New Senior Loan changes from that approved by Seller; and (5) if Seller does not deliver written notice to Buyer of
169 Seller's disapproval of Buyer's financial ability and creditworthiness or of Buyer's New Senior Loan by **Disapproval of Buyer's Credit**
170 **Information Deadline** (§ 2.3), then Seller waives the conditions set forth in this section as to Buyer's New Senior Loan as supplied to Seller. If
171 Seller delivers written notice of disapproval to Buyer on or before said date, this Contract shall terminate.

172 5.4. **Existing Loan Review.** If an existing loan is not to be released at Closing, Seller shall deliver copies of the loan documents (including
173 note, deed of trust, and any modifications) to Buyer by **Existing Loan Documents Deadline** (§ 2.3). For the benefit of Buyer, this Contract is
174 conditional upon Buyer's review and approval of the provisions of such loan documents. If written notice of objection to such loan documents,
175 signed by Buyer, is not received by Seller by **Existing Loan Documents Objection Deadline** (§ 2.3), Buyer accepts the terms and conditions of the
176 documents. If the lender's approval of a transfer of the Property is required, this Contract is conditional upon Buyer's obtaining such approval
177 without change in the terms of such loan, except as set forth in § 4.6. If lender's approval is not obtained by **Loan Transfer Approval Deadline**
178 (§ 2.3), this Contract shall terminate on such deadline. If Seller is to be released from liability under such existing loan and Buyer does not obtain
179 such compliance as set forth in § 4.6, this Contract may be terminated at Seller's option.

180 6. APPRAISAL PROVISIONS.

181 6.1. **Property Approval.** If the lender imposes any requirements or repairs (Requirements) to be made to the Property (e.g., roof repair,
182 repainting), beyond those matters already agreed to by Seller in this Contract, Seller may terminate this Contract (notwithstanding § 10 of this
183 Contract) by written notice to Buyer on or before three days following Seller's receipt of the Requirements. Seller's right to terminate in this § 6.1
184 shall not apply if on or before any termination by Seller pursuant to this § 6.1: (1) the parties enter into a written agreement regarding the
185 Requirements; or (2) the Requirements are completed by Seller; or (3) the satisfaction of the Requirements is waived in writing by Buyer.

186 6.2. Appraisal Condition.

187 6.2.1. **Not Applicable.** This § 6.2 shall not apply.

188 6.2.2. **Conventional/Other.** Buyer shall have the sole option and election to terminate this Contract if the Purchase Price exceeds the
189 Property's valuation determined by an appraiser engaged by _____. The appraisal shall be received by Buyer or Buyer's lender
190 on or before **Appraisal Deadline** (§ 2.3). This Contract shall terminate by Buyer delivering to Seller written notice of termination and either a copy
191 of such appraisal or written notice from lender that confirms the Property's valuation is less than the Purchase Price, received by Seller on or before
192 **Appraisal Objection Deadline** (§ 2.3). If Seller does not receive such written notice of termination on or before **Appraisal Objection Deadline**
193 (§ 2.3), Buyer waives any right to terminate under this section.

194 6.2.3. **FHA.** It is expressly agreed that, notwithstanding any other provisions of this Contract, the Purchaser (Buyer) shall not be
195 obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of Earnest Money deposits or otherwise
196 unless the Purchaser (Buyer) has been given in accordance with HUD/FHA or VA requirements a written statement issued by the Federal Housing
197 Commissioner, Department of Veterans Affairs, or a Direct Endorsement lender, setting forth the appraised value of the Property of not less than
198 \$ _____. The Purchaser (Buyer) shall have the privilege and option of proceeding with the consummation of the Contract without regard
199 to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and
200 Urban Development will insure. HUD does not warrant the value nor the condition of the Property. The Purchaser (Buyer) should satisfy
201 himself/herself that the price and condition of the Property are acceptable.

202 6.2.4. **VA.** It is expressly agreed that, notwithstanding any other provisions of this Contract, the purchaser (Buyer) shall not incur any
203 penalty by forfeiture of Earnest Money or otherwise or be obligated to complete the purchase of the Property described herein, if the Contract
204 Purchase Price or cost exceeds the reasonable value of the Property established by the Department of Veterans Affairs. The purchaser (Buyer) shall,
205 however, have the privilege and option of proceeding with the consummation of this Contract without regard to the amount of the reasonable value
206 established by the Department of Veterans Affairs.

207 6.3. **Cost of Appraisal.** Cost of any appraisal to be obtained after the date of this Contract shall be timely paid by Buyer Seller.

208 7. EVIDENCE OF TITLE, SURVEY AND CIC DOCUMENTS.

209 7.1. **Evidence of Title.** On or before **Title Deadline** (§ 2.3), Seller shall cause to be furnished to Buyer, at Seller's expense, a current
210 commitment for owner's title insurance policy (Title Commitment) in an amount equal to the Purchase Price, or if this box is checked, **An**
211 **Abstract** of title certified to a current date. If title insurance is furnished, Seller shall also deliver to Buyer copies of any abstracts of title covering
212 all or any portion of the Property (Abstract) in Seller's possession. At Seller's expense, Seller shall cause the title insurance policy to be issued and
213 delivered to Buyer as soon as practicable at or after Closing. The title insurance commitment **Shall** **Shall Not** commit to delete or insure
214 over the standard exceptions which relate to: (1) parties in possession, (2) unrecorded easements, (3) survey matters, (4) any unrecorded mechanics'
215 liens, (5) gap period (effective date of commitment to date deed is recorded), and (6) unpaid taxes, assessments and unredeemed tax sales prior to
216 the year of Closing. Any additional premium expense to obtain this additional coverage shall be paid by Buyer Seller.

217 Note: The title insurance company may not agree to delete or insure over any or all of the standard exceptions. Buyer shall have the right to review
218 the Title Commitment. If the Title Commitment or its provisions are not satisfactory to Buyer, Buyer may exercise Buyer's rights pursuant to § 8.1.

219 7.2. **Copies of Exceptions.** On or before **Title Deadline** (§ 2.3), Seller, at Seller's expense, shall furnish to Buyer and _____,
220 (1) copies of any plats, declarations, covenants, conditions and restrictions burdening the Property, and (2) if a Title Commitment is required to be
221 furnished, and if this box is checked **Copies of any Other Documents** (or, if illegible, summaries of such documents) listed in the schedule of
222 exceptions (Exceptions). Even if the box is not checked, Seller shall have the obligation to furnish these documents pursuant to this section if
223 requested by Buyer any time on or before **Document Request Deadline** (§ 2.3). This requirement shall pertain only to documents as shown of
224 record in the office of the clerk and recorder in the county where the Property is located. The abstract or Title Commitment, together with any
225 copies or summaries of such documents furnished pursuant to this section, constitute the title documents (Title Documents).

226 7.3. **Survey.** On or before **Survey Deadline** (§ 2.3), Seller Buyer shall order or provide, and cause Buyer (and the issuer of the
227 Title Commitment or the provider of the opinion of title if an abstract) to receive, a current **Improvement Survey Plat** **Improvement**
228 **Location Certificate** _____ (the description checked is known as Survey). An amount not to exceed \$ _____ for Survey shall
229 be paid by Buyer Seller. If the cost exceeds this amount, Buyer Seller shall pay the excess on or before Closing. Buyer shall not be
230 obligated to pay the excess unless Buyer is informed of the cost and delivers to Seller, before Survey is ordered, Buyer's written agreement to pay
231 the required amount to be paid by Buyer.

232 7.4. **Common Interest Community Documents.** The term CIC Documents consists of all owners' associations (Association) declarations,
233 bylaws, operating agreements, rules and regulations, party wall agreements, minutes of most recent annual owners' meeting and minutes of any
234 directors' or managers' meetings during the six-month period immediately preceding the date of this Contract, if any (Governing Documents), most
235 recent financial documents consisting of (1) annual balance sheet, (2) annual income and expenditures statement, and (3) annual budget (Financial
236 Documents), if any (collectively CIC Documents).

237 7.4.1. **Not Applicable.** This § 7.4 shall not apply.

238 7.4.2. **Common Interest Community Disclosure.** THE PROPERTY IS LOCATED WITHIN A COMMON INTEREST
239 COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR SUCH COMMUNITY. THE OWNER OF THE PROPERTY WILL BE
240 REQUIRED TO BE A MEMBER OF THE OWNER'S ASSOCIATION FOR THE COMMUNITY AND WILL BE SUBJECT TO THE
241 BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION. THE DECLARATION, BYLAWS, AND RULES AND
242 REGULATIONS WILL IMPOSE FINANCIAL OBLIGATIONS UPON THE OWNER OF THE PROPERTY, INCLUDING AN OBLIGATION
243 TO PAY ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES NOT PAY THESE ASSESSMENTS, THE ASSOCIATION
244 COULD PLACE A LIEN ON THE PROPERTY AND POSSIBLY SELL IT TO PAY THE DEBT. THE DECLARATION, BYLAWS, AND
245 RULES AND REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING CHANGES TO THE PROPERTY
246 WITHOUT AN ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A COMMITTEE OF THE ASSOCIATION) AND THE
247 APPROVAL OF THE ASSOCIATION. PURCHASERS OF PROPERTY WITHIN THE COMMON INTEREST COMMUNITY SHOULD
248 INVESTIGATE THE FINANCIAL OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ
249 THE DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION.

250 7.4.3. **Not Conditional on Review.** Buyer acknowledges that Buyer has received a copy of the CIC Documents. Buyer has reviewed
251 them, agrees to accept the benefits, obligations and restrictions that they impose upon the Property and its owners and waives any right to terminate
252 this Contract due to such documents, notwithstanding the provisions of § 8.5.

253 7.4.4. **CIC Documents to Buyer.**

254 7.4.4.1. **Seller to Provide CIC Documents.** Seller shall cause the CIC Documents to be provided to Buyer, at Seller's
255 expense, on or before **CIC Documents Deadline** (§ 2.3).

256 7.4.4.2. **Seller Authorizes Association.** Seller authorizes the Association to provide the CIC Documents to Buyer, at Seller's
257 expense.

258 7.4.4.3. **Seller's Obligation.** Seller's obligation to provide the CIC Documents shall be fulfilled upon Buyer's receipt of the
259 CIC Documents, regardless of who provides such documents.

260 7.4.5. **Conditional on Buyer's Review.** If the box in either § 7.4.4.1 or § 7.4.4.2 is checked, the provisions of this § 7.4.5 shall apply.
261 Written notice of any unsatisfactory provision in any of the CIC Documents, in Buyer's subjective discretion, signed by Buyer, or on behalf of
262 Buyer, and delivered to Seller on or before **CIC Documents Objection Deadline** (§ 2.3), shall terminate this Contract.

263 Should Buyer receive the CIC Documents after **CIC Documents Deadline** (§ 2.3), Buyer shall have the right, at Buyer's option, to
264 terminate this Contract by written notice delivered to Seller on or before ten days after Buyer's receipt of the CIC Documents. If Buyer does not
265 receive the CIC Documents, or if such written notice to terminate would otherwise be required to be delivered after **Closing Date** (§ 2.3), Buyer's
266 written notice to terminate shall be received by Seller on or before three days prior to **Closing Date** (§ 2.3). If Seller does not receive written notice
267 from Buyer within such time, Buyer accepts the provisions of the CIC Documents, and Buyer's right to terminate this Contract pursuant to this
268 section is waived, notwithstanding the provisions of § 8.5.

269 NOTE: If no box in this § 7.4 is checked, the provisions of § 7.4.4.1 shall apply.

270 8. TITLE AND SURVEY REVIEW.

271 8.1. **Title Review.** Buyer shall have the right to inspect the Title Documents. Buyer shall provide written notice of unmerchantability of
272 title, unsatisfactory form or content of Title Commitment, or, notwithstanding § 13, of any other unsatisfactory title condition shown by the Title
273 Documents (Notice of Title Objection). Such notice shall be signed by or on behalf of Buyer and delivered to Seller on or before **Title Objection**
274 **Deadline** (§ 2.3), provided such Title Documents are received by Buyer in a timely manner. If there is an endorsement to the Title Commitment
275 that adds a new Exception to title, a copy of the new Exception to title and the modified Title Commitment shall be delivered to Buyer. Provided
276 however, Buyer shall have five days to deliver the Notice of Title Objection after receipt by Buyer of the following documents: (1) any required
277 Title Document not timely received by Buyer, (2) any change to the Title Documents, or (3) endorsement to the Title Commitment. If Seller does
278 not receive Buyer's Notice of Title Objection by the applicable deadline specified above, Buyer accepts the condition of title as disclosed by the
279 Title Documents as satisfactory.

280 8.2. **Matters Not Shown by the Public Records.** Seller shall deliver to Buyer, on or before **Off-Record Matters Deadline** (§ 2.3) true
281 copies of all leases and surveys in Seller's possession pertaining to the Property and shall disclose to Buyer all easements, liens (including, without
282 limitation, governmental improvements approved, but not yet installed) or other title matters (including, without limitation, rights of first refusal
283 and options) not shown by the public records of which Seller has actual knowledge. Buyer shall have the right to inspect the Property to investigate
284 if any third party has any right in the Property not shown by the public records (such as an unrecorded easement, unrecorded lease, boundary line
285 discrepancy or water rights). Written notice of any unsatisfactory condition disclosed by Seller or revealed by such inspection, notwithstanding
286

287 discrepancy or water rights). Written notice of any unsatisfactory condition disclosed by Seller or revealed by such inspection, notwithstanding
288 § 13, shall be signed by or on behalf of Buyer and delivered to Seller on or before **Off-Record Matters Objection Deadline** (§ 2.3). If Seller does
289 not receive Buyer's notice by said deadline, Buyer accepts title subject to such rights, if any, of third parties of which Buyer has actual knowledge.

290 **8.3. Survey Review.**

291 **8.3.1. Not Applicable.** This § 8.3 shall not apply.

292 **8.3.2. Conditional on Survey.** If the box in this § 8.3.2 is checked, Buyer shall have the right to inspect the Survey. If written notice
293 by or on behalf of Buyer of any unsatisfactory condition shown by the Survey, notwithstanding § 8.2 or § 13, is received by Seller on or before
294 **Survey Objection Deadline** (§ 2.3) then such objection shall be deemed an unsatisfactory title condition. If Seller does not receive Buyer's notice
295 by **Survey Objection Deadline** (§ 2.3), Buyer accepts the Survey as satisfactory.

296 **8.4. Special Taxing Districts. SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION**
297 **INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE PROPERTY**
298 **WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK FOR INCREASED MILL**
299 **LEVIES AND TAX TO SUPPORT THE SERVICING OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE**
300 **INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES.**
301 **BUYERS SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS LOCATED BY**
302 **CONTACTING THE COUNTY TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE PROPERTY, AND**
303 **BY OBTAINING FURTHER INFORMATION FROM THE BOARD OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND**
304 **RECORDER, OR THE COUNTY ASSESSOR.**

305 In the event the Property is located within a special taxing district and Buyer desires to terminate this Contract as a result, if written notice, by
306 or on behalf of Buyer, is received by Seller on or before **Off-Record Matters Objection Deadline** (§ 2.3), this Contract shall terminate. If Seller
307 does not receive Buyer's notice by such deadline, Buyer accepts the effect of the Property's inclusion in such special taxing district and waives the
308 right to terminate for that reason.

309 **8.5. Right to Object, Cure.** Buyer's right to object shall include, but not be limited to, those matters set forth in §§ 8 and 13. If Seller
310 receives notice of unmerchantability of title or any other unsatisfactory title condition or commitment terms as provided in §§ 8.1, 8.2 and 8.3,
311 Seller shall use reasonable efforts to correct said items and bear any nominal expense to correct the same prior to Closing. If such unsatisfactory
312 title condition is not corrected to Buyer's satisfaction on or before Closing, this Contract shall terminate; provided, however, Buyer may, by written
313 notice received by Seller on or before Closing, waive objection to such items.

314 **8.6. Right of First Refusal or Contract Approval.** If there is a right of first refusal on the Property, or a right to approve this Contract,
315 Seller shall promptly submit this Contract according to the terms and conditions of such right. If the holder of the right of first refusal exercises
316 such right or the holder of a right to approve disapproves this Contract, this Contract shall terminate. If the right of first refusal is waived explicitly
317 or expires, or the Contract is approved, this Contract shall remain in full force and effect. Seller shall promptly notify Buyer of the foregoing. If
318 expiration or waiver of the right of first refusal or Contract approval has not occurred on or before **Right of First Refusal Deadline** (§ 2.3), this
319 Contract shall terminate.

320 **8.7. Title Advisory.** The Title Documents affect the title, ownership and use of the Property and should be reviewed carefully.
321 Additionally, other matters not reflected in the Title Documents may affect the title, ownership and use of the Property, including without
322 limitation, boundary lines and encroachments, area, zoning, unrecorded easements and claims of easements, leases and other unrecorded
323 agreements, and various laws and governmental regulations concerning land use, development and environmental matters. **The surface estate may**
324 **be owned separately from the underlying mineral estate, and transfer of the surface estate does not necessarily include transfer of the**
325 **mineral rights or water rights. Third parties may hold interests in oil, gas, other minerals, geothermal energy or water on or under the**
326 **Property, which interests may give them rights to enter and use the Property.** Such matters may be excluded from or not covered by the title
327 insurance policy. Buyer is advised to timely consult legal counsel with respect to all such matters as there are strict time limits provided in this
328 Contract [e.g., **Title Objection Deadline** (§ 2.3) and **Off-Record Matters Objection Deadline** (§ 2.3)].

329 **9. LEAD-BASED PAINT.** Unless exempt, if the improvements on the Property include one or more residential dwellings for which a building
330 permit was issued prior to January 1, 1978, this Contract shall be void unless (1) a completed Lead-Based Paint Disclosure (Sales) form is signed
331 by Seller, the required real estate licensees and Buyer, and (2) Seller receives the completed and fully executed form prior to the time when the
332 Contract is signed by all parties. Buyer acknowledges timely receipt of a completed Lead-Based Paint Disclosure (Sales) form signed by Seller and
333 the real estate licensees.

334 **10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY, BUYER DISCLOSURE AND SOURCE OF WATER.**

335 **10.1. Seller's Property Disclosure Deadline.** On or before **Seller's Property Disclosure Deadline** (§ 2.3), Seller agrees to deliver to Buyer
336 the most current version of the applicable Colorado Real Estate Commission's Seller's Property Disclosure form completed by Seller to the best of
337 Seller's actual knowledge, current as of the date of this Contract.

338 **10.2. Inspection Objection Deadline.** Buyer shall have the right to have inspections of the physical condition of both the Property and
339 Inclusions, at Buyer's expense. If (1) the physical condition of the Property, (2) the physical condition of the Inclusions, (3) any proposed or
340 existing transportation project, road, street or highway, or (4) any other activity, odor or noise (whether on or off the Property) and its effect or
341 expected effect on the Property or its occupants is unsatisfactory in Buyer's subjective discretion, Buyer shall, on or before **Inspection Objection**
342 **Deadline** (§ 2.3):

343 **10.2.1. Notice to Terminate.** Notify Seller in writing that this Contract is terminated; or

344 **10.2.2. Notice to Correct.** Deliver to Seller a written description of any unsatisfactory physical condition which Buyer requires
345 Seller to correct.

346 If written notice is not received by Seller on or before **Inspection Objection Deadline** (§ 2.3), the physical condition of the Property and
347 Inclusions shall be deemed to be satisfactory to Buyer.

348 **10.3. Inspection Resolution Deadline.** If a Notice to Correct is received by Seller and if Buyer and Seller have not agreed in writing to a
349 settlement thereof on or before **Inspection Resolution Deadline** (§ 2.3), this Contract shall terminate one day following **Inspection Resolution**
350 **Deadline** (§ 2.3), unless before such termination Seller receives Buyer's written withdrawal of the Notice to Correct.

351 **10.4. Damage, Liens and Indemnity.** Buyer, except as otherwise provided in this Contract, is responsible for payment for all inspections,
352 tests, surveys, engineering reports, or any other work performed at Buyer's request (Work) and shall pay for any damage that occurs to the Property
353 and Inclusions as a result of such Work. Buyer shall not permit claims or liens of any kind against the Property for Work performed on the Property
354 at Buyer's request. Buyer agrees to indemnify, protect and hold Seller harmless from and against any liability, damage, cost or expense incurred by

355 Seller and caused by any such Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by Seller to
356 defend against any such liability, damage, cost or expense, or to enforce this section, including Seller's reasonable attorney and legal fees. The
357 provisions of this section shall survive the termination of this Contract.

358 **10.5. Insurability.** This Contract is conditional upon Buyer's satisfaction, in Buyer's subjective discretion, with the availability, terms and
359 conditions of and premium for property insurance. This Contract shall terminate upon Seller's receipt, on or before **Property Insurance Objection**
360 **Deadline** (§ 2.3), of Buyer's written notice that such insurance was not satisfactory to Buyer. If said notice is not timely received, Buyer shall have
361 waived any right to terminate under this provision.

362 **10.6. Buyer Disclosure.** Buyer represents that Buyer Does Does Not need to sell and close a property to complete this transaction.
363 **Note:** Any property sale contingency should appear in **Additional Provisions** (§ 26).

364 **10.7. Source of Potable Water (Residential Land and Residential Improvements Only).** Buyer Does Does Not acknowledge
365 receipt of a copy of Seller's **Property Disclosure** or **Source of Water Addendum** disclosing the source of potable water for the Property. Buyer
366 Does Does Not acknowledge receipt of a copy of the current well permit. There is No Well.

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

370 **10.8. Carbon Monoxide Alarms.** **Note:** If the improvements on the Property have a fuel-fired heater or appliance, a fireplace, or an
371 attached garage and include one or more rooms lawfully used for sleeping purposes (Bedroom), the parties acknowledge that Colorado law requires
372 that Seller assure the Property has an operational carbon monoxide alarm installed within fifteen feet of the entrance to each Bedroom or in a
373 location as required by the applicable building code.

374 **11. METHAMPHETAMINE DISCLOSURE (Residential Property Only).** If the Property is residential, and Seller knows that
375 methamphetamine was ever manufactured, processed, cooked, disposed of, used or stored at the Property, Seller is required to disclose such fact.
376 No disclosure is required if the Property was remediated in accordance with state standards and other requirements are fulfilled pursuant to § 25-
377 18.5-102, C.R.S. Buyer further acknowledges that Buyer has the right to engage a certified hygienist or industrial hygienist to test whether the
378 Property has ever been used as a methamphetamine laboratory. If Buyer's test results indicate that the Property has been contaminated with
379 methamphetamine, but has not been remediated to meet the standards established by rules of the State Board of Health promulgated pursuant to
380 § 25-18.5-102, C.R.S., Buyer shall promptly give written notice to Seller of the results of the test, and Buyer may terminate this Contract,
381 notwithstanding any other provision of this Contract.

382 **12. CLOSING.** Delivery of deed from Seller to Buyer shall be at closing (Closing). Closing shall be on the date specified as the **Closing Date**
383 (§ 2.3) or by mutual agreement at an earlier date. The hour and place of Closing shall be as designated by SELLER.

384 **13. TRANSFER OF TITLE.** Subject to tender or payment at Closing as required herein and compliance by Buyer with the other terms and
385 provisions hereof, Seller shall execute and deliver a good and sufficient ~~general warranty~~ deed to Buyer, at Closing, conveying the Property free
386 and clear of all taxes except the general taxes for the year of Closing. Except as provided herein, title shall be conveyed free and clear of all liens,
387 including any governmental liens for special improvements installed as of the date of Buyer's signature hereon, whether assessed or not. Title shall
388 be conveyed subject to:

389 **13.1.** those specific Exceptions described by reference to recorded documents as reflected in the Title Documents accepted by Buyer in
390 accordance with **Title Review** (§ 8.1),

391 **13.2.** distribution utility easements (including cable TV),

392 **13.3.** those specifically described rights of third parties not shown by the public records of which Buyer has actual knowledge and which
393 were accepted by Buyer in accordance with **Matters Not Shown by the Public Records** (§ 8.2) and **Survey Review** (§ 8.3),

394 **13.4.** inclusion of the Property within any special taxing district, and

395 **13.5.** other _____.

396 **14. PAYMENT OF ENCUMBRANCES.** Any encumbrance required to be paid shall be paid at or before Closing from the proceeds of this
397 transaction or from any other source.

398 **15. CLOSING COSTS, DOCUMENTS AND SERVICES.**

399 **15.1. Good Funds.** Buyer and Seller shall pay, in Good Funds, their respective closing costs and all other items required to be paid at
400 Closing, except as otherwise provided herein.

401 **15.2. Closing Information and Documents.** Buyer and Seller will furnish any additional information and documents required by Closing
402 Company that will be necessary to complete this transaction. Buyer and Seller shall sign and complete all customary or reasonably required
403 documents at or before Closing.

404 **15.3. Closing Services Fee.** The fee for real estate closing services shall be paid at Closing by Buyer Seller One-Half by Buyer
405 and One-Half by Seller Other N/A.

406 **15.4. Closing Instructions.** ~~Buyer and Seller agree to execute the Colorado Real Estate Commission's Closing Instructions. Such Closing~~
407 ~~Instructions Are Are Not executed with this Contract. Upon execution, Seller Buyer shall deliver such Closing Instructions to the~~
408 ~~Closing Company.~~

409 **15.5. Status Letter and Transfer Fees.** Any fees incident to the issuance of Association's statement of assessments (Status Letter) shall be
410 paid by Buyer Seller One-Half by Buyer and One-Half by Seller. Any transfer fees assessed by the Association (Association's
411 Transfer Fee) shall be paid by Buyer Seller One-Half by Buyer and One-Half by Seller.

412 **15.6. Local Transfer Tax.** The Local Transfer Tax of ____ % of the Purchase Price shall be paid at Closing by Buyer Seller
413 One-Half by Buyer and One-Half by Seller.

414 **15.7. Sales and Use Tax.** Any sales and use tax that may accrue because of this transaction shall be paid when due by Buyer Seller
415 One-Half by Buyer and One-Half by Seller.

416 **16. PRORATIONS.** The following shall be prorated to **Closing Date** (§ 2.3), except as otherwise provided:

417 **16.1. Taxes.** Personal property taxes, if any, and general real estate taxes for the year of Closing, based on Taxes for the Calendar Year
418 **Immediately Preceding Closing** **Most Recent Mill Levy and Most Recent Assessed Valuation**, adjusted by any applicable qualifying seniors
419 property tax exemption, or Other _____.

420 **16.2. Rents.** Rents based on Rents Actually Received Accrued. At Closing, Seller shall transfer or credit to Buyer the security
421 deposits for all leases assigned, or any remainder after lawful deductions, and notify all tenants in writing of such transfer and of the transferee's
422 name and address. Seller shall assign to Buyer all leases in effect at Closing and Buyer shall assume such leases.

423 **16.3. Association Assessments.** Current regular Association assessments and dues (Association Assessments) paid in advance shall be
424 credited to Seller at Closing. Cash reserves held out of the regular Association Assessments for deferred maintenance by the Association shall not
425 be credited to Seller except as may be otherwise provided by the Governing Documents. Any special assessment by the Association for
426 improvements that have been installed as of the date of Buyer's signature hereon shall be the obligation of Seller. Any other special assessment
427 assessed prior to Closing Date (§ 2.3) by the Association shall be the obligation of Buyer Seller. Seller represents that the Association
428 Assessments are currently payable at \$ _____ per _____ and that there are no unpaid regular or special assessments
429 against the Property except the current regular assessments and _____. Such assessments
430 are subject to change as provided in the Governing Documents. Seller agrees to promptly request the Association to deliver to Buyer before Closing
431 Date (§ 2.3) a current Status Letter.

432 **16.4. Other Prorations.** Water and sewer charges, interest on continuing loan, and _____.

433 **16.5. Final Settlement.** Unless otherwise agreed in writing, these prorations shall be final.

434 **17. POSSESSION.** Possession of the Property shall be delivered to Buyer on Possession Date at Possession Time (§ 2.3), subject to the
435 following leases or tenancies:

436 NONE

437
438 If Seller, after Closing, fails to deliver possession as specified, Seller shall be subject to eviction and shall be additionally liable to Buyer for
439 payment of \$ 50.00 per day (or any part of a day notwithstanding § 2.5.1) from Possession Date and Possession Time (§ 2.3) until
440 possession is delivered.

441 Buyer Does Does Not represent that Buyer will occupy the Property as Buyer's principal residence.

442 **18. ASSIGNABILITY AND INUREMENT.** This Contract Shall Shall Not be assignable by Buyer without Seller's prior written
443 consent. Except as so restricted, this Contract shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and
444 assigns of the parties.

445 **19. CAUSES OF LOSS, INSURANCE; CONDITION OF, DAMAGE TO PROPERTY AND INCLUSIONS AND WALK-THROUGH.**
446 Except as otherwise provided in this Contract, the Property, Inclusions or both shall be delivered in the condition existing as of the date of this
447 Contract, ordinary wear and tear excepted.

448 **19.1. Causes of Loss, Insurance.** In the event the Property or Inclusions are damaged by fire, other perils or causes of loss prior to Closing
449 in an amount of not more than ten percent of the total Purchase Price, Seller shall be obligated to repair the same before Closing Date (§ 2.3). In the
450 event such damage is not repaired within said time or if the damage exceeds such sum, this Contract may be terminated at the option of Buyer by
451 delivering to Seller written notice of termination on or before Closing. Should Buyer elect to carry out this Contract despite such damage, Buyer
452 shall be entitled to a credit at Closing for all insurance proceeds that were received by Seller (but not the Association, if any) resulting from such
453 damage to the Property and Inclusions, plus the amount of any deductible provided for in such insurance policy. Such credit shall not exceed the
454 Purchase Price. In the event Seller has not received such insurance proceeds prior to Closing, then Seller shall assign such proceeds at Closing, plus
455 credit Buyer the amount of any deductible provided for in such insurance policy, but not to exceed the total Purchase Price.

456 **19.2. Damage, Inclusions and Services.** Should any Inclusion or service (including systems and components of the Property, e.g. heating,
457 plumbing) fail or be damaged between the date of this Contract and Closing or possession, whichever shall be earlier, then Seller shall be liable for
458 the repair or replacement of such Inclusion or service with a unit of similar size, age and quality, or an equivalent credit, but only to the extent that
459 the maintenance or replacement of such Inclusion, service or fixture is not the responsibility of the Association, if any, less any insurance proceeds
460 received by Buyer covering such repair or replacement. Seller and Buyer are aware of the existence of pre-owned home warranty programs that
461 may be purchased and may cover the repair or replacement of such Inclusions. The risk of loss for damage to growing crops by fire or other
462 casualty shall be borne by the party entitled to the growing crops as provided in § 3.1.7 and such party shall be entitled to such insurance proceeds
463 or benefits for the growing crops.

464 **19.3. Walk-Through and Verification of Condition.** Buyer, upon reasonable notice, shall have the right to walk through the Property prior
465 to Closing to verify that the physical condition of the Property and Inclusions complies with this Contract.

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

469 **21. TIME OF ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence hereof. If any note or check received as Earnest Money
470 hereunder or any other payment due hereunder is not paid, honored or tendered when due, or if any obligation hereunder is not performed or waived
471 as herein provided, there shall be the following remedies:

472 **21.1. If Buyer is in Default:**

473 **21.1.1. Specific Performance.** Seller may elect to treat this Contract as canceled, in which case all Earnest Money (whether or not
474 paid by Buyer) shall be forfeited by Buyer, paid to Seller and retained by Seller; and Seller may recover such damages as may be proper; or Seller
475 may elect to treat this Contract as being in full force and effect and Seller shall have the right to specific performance or damages, or both.

476 **21.1.2. Liquidated Damages.** All Earnest Money (whether or not paid by Buyer) shall be forfeited by Buyer, paid to Seller, and
477 retained by Seller. Both parties shall thereafter be released from all obligations hereunder. It is agreed that the Earnest Money specified in § 4.1 is
478 LIQUIDATED DAMAGES, and not a penalty, which amount the parties agree is fair and reasonable and (except as provided in §§ 10.4, 19, 22, 23
479 and 24), said forfeiture shall be SELLER'S SOLE AND ONLY REMEDY for Buyer's failure to perform the obligations of this Contract. Seller
480 expressly waives the remedies of specific performance and additional damages.

481 **21.2. If Seller is in Default:** Buyer may elect to treat this Contract as canceled, in which case all Earnest Money received hereunder shall be
482 returned and Buyer may recover such damages as may be proper, or Buyer may elect to treat this Contract as being in full force and effect and
483 Buyer shall have the right to specific performance or damages, or both.

484 **22. LEGAL FEES, COST AND EXPENSES.** In the event of any arbitration or litigation relating to this Contract, prior to or after Closing Date
485 (§ 2.3), the arbitrator or court shall award to the prevailing party all reasonable costs and expenses, including attorney and legal fees.

486 23. **MEDIATION.** If a dispute arises relating to this Contract, prior to or after Closing, and is not resolved, the parties shall first proceed in good
487 faith to submit the matter to mediation. Mediation is a process in which the parties meet with an impartial person who helps to resolve the dispute
488 informally and confidentially. Mediators cannot impose binding decisions. The parties to the dispute must agree, in writing, before any settlement is
489 binding. The parties will jointly appoint an acceptable mediator and will share equally in the cost of such mediation. The mediation, unless
490 otherwise agreed, shall terminate in the event the entire dispute is not resolved within thirty days of the date written notice requesting mediation is
491 delivered by one party to the other at the party's last known address. This section shall not alter any date in this Contract, unless otherwise agreed.

492 24. **EARNEST MONEY DISPUTE.** Except as otherwise provided herein, Earnest Money Holder shall release the Earnest Money as directed by
493 written mutual instructions, signed by both Buyer and Seller. In the event of any controversy regarding the Earnest Money (notwithstanding any
494 termination of this Contract), Earnest Money Holder shall not be required to take any action. Earnest Money Holder, at its option and sole
495 discretion, may (1) await any proceeding, (2) interplead all parties and deposit Earnest Money into a court of competent jurisdiction and shall
496 recover court costs and reasonable attorney and legal fees, or (3) provide notice to Buyer and Seller that unless Earnest Money Holder receives a
497 copy of the Summons and Complaint or Claim (between Buyer and Seller) containing the case number of the lawsuit (Lawsuit) within one hundred
498 twenty days of Earnest Money Holder's notice to the parties, Earnest Money Holder shall be authorized to return the Earnest Money to Buyer. In
499 the event Earnest Money Holder does receive a copy of the Lawsuit, and has not interpleaded the monies at the time of any Order, Earnest Money
500 Holder shall disburse the Earnest Money pursuant to the Order of the Court. The parties reaffirm the obligation of **Mediation** (§ 23). The provisions
501 of this § 24 apply only if the Earnest Money Holder is one of the Brokerage Firms named in § 34 or § 35.

502 25. **TERMINATION.** In the event this Contract is terminated, all Earnest Money received hereunder shall be returned and the parties shall be
503 relieved of all obligations hereunder, subject to §§ 10.4, 23 and 24.

504 26. **ADDITIONAL PROVISIONS.** (The following additional provisions have not been approved by the Colorado Real Estate Commission.)
505 **SEE THE ATTACHED ADDITIONAL TERMS.**

506
507
508 27. **ATTACHMENTS.** The following are a part of this Contract:
509 **ATTACHMENT OF ADDITIONAL TERMS**

510 Note: The following disclosure forms **are attached** but are **not** a part of this Contract:

511 **NONE**

512
513
514 28. **GOOD FAITH.** Buyer and Seller acknowledge that each party has an obligation to act in good faith, including but not limited to exercising
515 the rights and obligations set forth in the provisions of **Financing Conditions and Obligations** (§ 5) and **Property Disclosure, Inspection,**
516 **Indemnity, Insurability, Buyer Disclosure and Source of Water** (§ 10).

517 29. **ENTIRE AGREEMENT, MODIFICATION, SURVIVAL.** This Contract, its exhibits and specified addenda, constitute the entire
518 agreement between the parties relating to the subject hereof, and any prior agreements pertaining thereto, whether oral or written, have been merged
519 and integrated into this Contract. No subsequent modification of any of the terms of this Contract shall be valid, binding upon the parties, or
520 enforceable unless made in writing and signed by the parties. Any obligation in this Contract that, by its terms, is intended to be performed after
521 termination or Closing shall survive the same.

522 30. **COLORADO FORECLOSURE PROTECTION ACT.** If the Colorado Foreclosure Protection Act (Act) applies, then a different contract
523 that complies with the provisions of the Act is required, and this Contract shall be void and of no effect. The Act generally requires that (1) the
524 Property is residential, (2) any loan secured by the Property is at least thirty days delinquent or in default, (3) Buyer does not reside in the Property
525 for at least one year and (4) Buyer is subject to the Act. Buyer Will Will Not occupy the Property as Buyer's personal residence for at least
526 one year. The parties are further advised to consult with their own attorney.

527 31. **NOTICE, DELIVERY, AND CHOICE OF LAW.**

528 31.1. **Physical Delivery.** All notices must be in writing, except as provided in § 31.2. Any document, including a signed document or
529 notice, delivered to Buyer shall be effective when physically received by Buyer, any signator on behalf of Buyer, any named individual of Buyer,
530 any representative of Buyer, or Brokerage Firm of Broker working with Buyer (except for delivery, after Closing, of the notice requesting
531 mediation described in § 23) and except as provided in § 31.2 below. Any document, including a signed document or notice, delivered to Seller
532 shall be effective when physically received by Seller, any signator on behalf of Seller, any named individual of Seller, any representative of Seller,
533 or Brokerage Firm of Broker working with Seller (except for delivery, after Closing, of the notice requesting mediation described in § 23) and
534 except as provided in § 31.2 below.

535 31.2. **Electronic Delivery.** As an alternative to physical delivery, any document, including any signed document or written notice may be
536 delivered in electronic form only by the following indicated methods: Facsimile Email Internet No Electronic Delivery. Documents
537 with original signatures shall be provided upon request of any party.

538 31.3. **Choice of Law.** This Contract and all disputes arising hereunder shall be governed by and construed in accordance with the laws of the
539 State of Colorado that would be applicable to Colorado residents who sign a contract in Colorado for property located in Colorado.

540 32. **NOTICE OF ACCEPTANCE, COUNTERPARTS.** This proposal shall expire unless accepted in writing, by Buyer and Seller, as
541 evidenced by their signatures below, and the offering party receives notice of such acceptance pursuant to § 31 on or before **Acceptance Deadline**
542 **Date** (§ 2.3) and **Acceptance Deadline Time** (§ 2.3). If accepted, this document shall become a contract between Seller and Buyer. A copy of this
543 document may be executed by each party, separately, and when each party has executed a copy thereof, such copies taken together shall be deemed
544 to be a full and complete contract between the parties.

545
Date: _____ Date: _____
Buyer's Name: SALON CAPELLI, LLC Buyer's Name: _____

Buyer's Signature

Buyer's Signature

Address: TINA CLOUTIER, MANAGING MEMBER Address: _____
918 N 7TH STREET, GJ CO 81501 _____
 Phone No.: 970-260-9438 Phone No.: _____
 Fax No.: _____ Fax No.: _____
 Email Address: _____ Email Address: _____

546

547 **[NOTE: If this offer is being countered or rejected, do not sign this document. Refer to § 33]**

Date: _____ Date: _____
 Seller's Name: _____ Seller's Name: _____
 _____ Seller's Signature _____ Seller's Signature _____
 Address: _____ Address: _____
 Phone No.: _____ Phone No.: _____
 Fax No.: _____ Fax No.: _____
 Email Address: _____ Email Address: _____

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549

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33. COUNTER; REJECTION. This offer is Countered Rejected.
 Initials only of party (Buyer or Seller) who countered or rejected offer _____

END OF CONTRACT TO BUY AND SELL REAL ESTATE

34. BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

(To be completed by Broker working with Buyer)

Broker Does Does Not acknowledge receipt of Earnest Money deposit specified in § 4.1 and, while not a party to the Contract, agrees to cooperate upon request with any mediation concluded under § 23. Broker agrees that if Earnest Money Holder is other than the Brokerage Firm identified in § 34 or § 35, Closing Instructions signed by Buyer, Seller, and Earnest Money Holder must be obtained on or before delivery of Earnest Money to Earnest Money Holder.

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

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

Date: _____
 Brokerage Firm's Name: _____
 Broker's Name: _____
 _____ Broker's Signature _____
 Address: _____
 Phone No.: _____
 Fax No.: _____
 Email Address: _____

551

552

553

35. BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

(To be completed by Broker working with Seller)

Broker **Does** **Does Not** acknowledge receipt of Earnest Money deposit specified in § 4.1 and, while not a party to the Contract, agrees to cooperate upon request with any mediation concluded under § 23. Broker agrees that if Earnest Money Holder is other than the Brokerage Firm identified in § 34 or § 35, Closing Instructions signed by Buyer, Seller, and Earnest Money Holder must be obtained on or before delivery of Earnest Money to Earnest Money Holder.

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

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

Date: _____

Brokerage Firm's Name: _____

Broker's Name: _____

Broker's Signature

Address: _____

Phone No.: _____

Fax No.: _____

Email Address: _____

554

**ADDITIONAL TERMS TO
CONTRACT TO BUY AND SELL REAL ESTATE**

1. The Earnest Money of \$1,000.00 is non-refundable, except as otherwise provided herein.
2. The Seller and the Buyer each agree to pay their own closing costs.
3. The purchase price shall include the Property and any and all other rights appurtenant to the Property, free and clear of all taxes, special assessments, liens and encumbrances. The Buyer shall purchase title insurance if it deems the same necessary.
4. Subject to payment or tender as above provided and compliance by the both parties with the other terms and provisions hereof, the Seller shall execute and deliver a good and sufficient general warranty deed to the Buyer on August 31, 2010 or by mutual agreement, at another date, conveying the Property free and clear of all taxes, liens and encumbrances.
5. If title is not merchantable and written notice of defect(s) is given by the Buyer to the Seller on or before date of closing, the Seller shall use reasonable effort to correct said defect(s) prior to date of closing. If the Seller is unable to correct said defect(s) on or before date of closing, at the Seller's option and upon written notice to the Buyer on or before date of closing, the date of closing shall be extended for a period not to exceed thirty (30) days for the purpose of correcting said defect(s). Except as stated in paragraph 6, if title is not rendered merchantable, at the Buyer's option, this contract shall be void and of no effect and each party hereto shall be released from all obligations hereunder and all payments and things of value received hereunder shall be returned to the Buyer.
6. Possession of the Property shall be delivered to the Buyer at closing without exception, lease or any tenancy. If the Seller fails to deliver possession at closing, the Seller shall be subject to eviction and shall be liable for a daily rental of \$50.00 until possession is delivered.
7. Buyer is purchasing the Property "AS-IS" and not based upon any representation or warranty of condition by Seller. Seller expressly disclaims any warranties of condition. Buyer shall have the right to physical inspection of the Property at Buyer's expense.
8. Time is of the essence hereof. If any note or check received as earnest money hereunder or any other payment due hereunder is not paid, honored or tendered when due, or if any other obligation hereunder is not performed as herein provided, there shall be the following remedies:
 - (a) IF THE SELLER IS IN DEFAULT, then all payments and things of value received hereunder shall be returned to the Buyer and both parties shall thereafter be released from all obligations hereunder. It is agreed that such payments and things of value are LIQUIDATED DAMAGES, and (except as provided in subparagraph (c) are the Buyer's SOLE AND ONLY REMEDY for the Seller's failure to perform the obligations of this Contract. The Buyer expressly waives the remedies of specific performance and additional damages;

(b) IF THE BUYER IS IN DEFAULT, the Seller may elect to treat this Contract as (1) terminated, in which case all payments and things of value received hereunder shall be paid to the Seller and the Seller may recover such damages as may be proper, or (2) being in full force and effect and the Seller shall have the right to an action for specific performance or damages, or both.

(c) Anything to the contrary herein notwithstanding, in the event of any litigation arising out of this Contract, each party shall pay such party's own costs and attorneys' fees.

9. This entire contract and the Seller's obligation to proceed under its terms is expressly conditioned upon the consent and approval of the City Council of the City of Grand Junction. If such consent and approval is not obtained on or before August 17, 2010, then this contract shall automatically become void and of no effect, in which case the earnest money shall be returned to the Buyer.

10. The parties hereto represent to each other that this Contract and the sale and purchase of the Property hereby contemplated were without the efforts of any brokers or agents and that neither party has engaged or dealt with any brokers or agents in connection with this Contract. Each party agrees to defend, indemnify and hold the other harmless from any claim for real estate brokerage commissions or finder's fees asserted by any other party as a result of dealings claimed to have been conducted with the respective party.

11. All notices or other communications between the parties hereto shall be delivered by United States Certified Mail, return receipt requested, and shall be deemed served upon the receiving party as of the date of mailing indicated on the postal receipt, addressed as follows:

To the Seller - City: John Shaver, City Attorney
 City of Grand Junction
 250 North 5th Street
 Grand Junction, Colorado 81501
 (970) 244-1503

To the Buyer: Tina Cloutier, Managing Member
 Salon Capelli LLC
 918 North 7th Street
 Grand Junction, Colorado 81501
 (970) 260-9438

12. This contract embodies the complete agreement between the parties hereto and cannot be changed or modified except by a written instrument subsequently executed by the parties hereto. This Contract and the terms and conditions hereof apply to and are binding upon the successors and authorized assigns of both parties.

13. This Agreement shall be governed and construed by the laws of the State of Colorado. Venue shall be in Mesa County, Colorado.

14. The Buyer and the Seller have each obtained the advice of their own legal and tax counsel.

15. If any provision in these Additional Terms to Contract to Buy and Sell Real Estate ("Additional Terms") conflicts with the other terms in this Agreement, then the conflict shall be resolved in favor of these Additional Terms.