ARVADA URBAN RENEWAL AUTHORITY

PUBLIC NOTICE OF WORKSHOP AND REGULAR MEETING

The Arvada Urban Renewal Authority (AURA) Board of Commissioners will hold a workshop at **5:00 p.m**. on Wednesday, **March 4, 2020** at 5601 Olde Wadsworth Boulevard, Ste. 210, Arvada, Colorado 80002, with the regular board meeting to commence at **5:30 p.m.** or as soon thereafter the workshop is completed.

Agenda information is attached.

Carrie Briscoe

Carrie Briscoe
AURA Coordinator/Recording Secretary

POSTED: February 28, 2020

ARVADA URBAN RENEWAL AUTHORITY

ARVADA URBAN RENEWAL AUTHORITY
AURA BOARD WORKSHOP
5601 Olde Wadsworth Boulevard, Ste. 210, Arvada, Colorado
5:00 p.m., Wednesday, March 4, 2020

WORKSHOP AGENDA

WORKSHOP - 5:00 P.M.

1. Call to Order
2. General Discussion
3. Adjournment

ARVADA URBAN RENEWAL AUTHORITY

REGULAR MEETING OF THE AURA BOARD OF COMMISSIONERS
5601 Olde Wadsworth Boulevard, Ste. 210, Arvada, Colorado
5:30 p.m., Wednesday, March 4th, 2020

AGENDA (Revised 3-3-2020)

REGULAR MEETING – 5:30 P.M.

1. Call to Order

2. Moment of Reflection and Pledge of Allegiance

3. Roll Call of Members

4. Approval of the Summary of Minutes

5. Public Comment of Issues not scheduled for Public Hearing – Three Minute Limit

6. Public Hearing – None

7. Study Session
   A. Loan/Bond Discussion – David Bell, Stifel, Nicolaus & Company
   B. Ralston Creek Discussion – Andre Baros, Shears Adkins & Rockmore

8. Old Business
   A. RESOLUTION AR-20-01: A Resolution of the Arvada Urban Renewal Authority Approving the Cooperation Agreement between the Authority, the City of Arvada, and the Arvada Fire Protection District

   B. RESOLUTION AR-20-02: A Resolution of the Arvada Urban Renewal Authority Approving the Purchase of Certain Property Located At 9205 W. 58th Avenue for Blight Elimination and Redevelopment in Accordance with the Colorado Urban Renewal Law

   C. RESOLUTION AR-20-03: A Resolution of Intent to use Bond Proceeds in the Ralston Fields Urban Renewal Area

9. New Business – None

10. Development Update

11. Public Comment – Five Minute Limit

12. Comments from Commissioners

13. Committee Reports

14. Staff Reports

15. Executive Session
   A. Instructions to Negotiators, Pursuant to CRS 24-6-402(4)(e) related to the Tabernacle Church and Affordable Housing Project

16. Adjournment

REGULAR MEETING

1. Call to Order – Chair Fred Jacobsen called the meeting to order at 5:30 p.m.

Moment of Reflection and Pledge of Allegiance

2. Roll Call of Commissioners: Chair Fred Jacobsen, Vice Chair Alan Parker, Treasurer Sue Dolan, Commissioners Tony Cline, Moni Piz Wilson, Tim Steinhaus, Marc Williams

AURA staff present: Maureen Phair, Executive Director; Corey Hoffmann, Legal Counsel; Peggy Salazar, Administrative Specialist

Also present: Brian Williams and Erik Gessert, Terracon Consultants; George Thorn, Mile High Development, Timothy Morzel, Economic and Planning Systems and two guests.

4. Approval of Minutes

The Summary of Minutes of the AURA Board meeting on December 4, 2019 and January 7, 2020 stand approved.

5. Public Comment on Issues Not Scheduled for Public Hearing – Three Minute Limit

None

6. Public Hearing

None

7. Study Session

None

8. Old Business

A. Update on Environmental Issues and Contract to remove contaminated soil from Arvada Square. Erik Gessert, Senior Remediation Engineer and Brian Williams, Senior Geotechnical Engineer with Terracon Consultants, Inc., presented an update with environmental findings. The summary of assessment findings of Perchloroethlene (PCE) in soil vapor concentrations as well as PCE identified removal areas. Remedial alternatives evaluation and schedule process includes: Task (1) - Assessment and excavation; Task (2) - Groundwater monitoring; Task (3) – Voluntary Cleanup Program (VCP) Environmental covenant, closure report activities and No Action Determination (NAD) Request; and Task (4) – Colorado Department of Public Health and Environment (CDPHE) Meetings and Project Management. The AURA Board approved Terracon Consultant's selection of three bids for ET Technologies with the excavation process of removing the exposure pathways of contaminated soil on the identified site.

B. Affordable Housing Presentation on City Stores Site – George Thorn, Mile High Development. George Thorn, President and Founder of Mile High Development, provided a brief overview regarding his developmental and leadership experience working with local municipalities and governmental entities. In additional, Mr. Thorn presented information regarding a potential Affordable Housing Development project on City Stores Site located at Ralston Road and Garrison Street.

9. New Business

None

10. Development Update

Maureen Phair, Executive Director, provided the following development update:

Trammell Crow – held a Neighborhood Meeting regarding the Arvada Town Center, located on the southwest corner of Wadsworth Bypass at 56th Avenue on January 29, 2020 and it was well received. Ms. Phair thanked Chair Jacobsen and Commissioner Steinhaus for attending the Neighborhood Meeting.

City Stores Site – City Council declared the property as excess and will deed to AURA the northern portion of the parcel that contains the City Stores building upon completion of the subdivision plat leaving a remainder lot to remain as the Community Gardens owned by the City. AURA is in the process of obtaining a Phase I and Phase II Environmental Assessment. Demolition estimates were provided by Jehn Engineering.

Ralston Creek History - Ms. Phair reviewed the history of the Ralston Creek project with activity from 2003 through 2020. After lengthy discussion the AURA Board directed Ms. Phair to proceed with future place-making on the south side of the development. A site plan showing place-making opportunities on the south side and market-rate and senior apartments on the north side will be brought back at the next AURA Board Meeting.

11. Public Comment – Five Minute Limit

An Arvada resident suggested there should be movies in the park, an outdoor theatre and other activities placed in development areas.

12. Comments from Commissioners

Commissioner Williams reported that in a recent Denver Post article it released information about synthetic ice called Glice that is used as a substitute for real ice. He stated that due to the synthetic ice there may be a possibility to place an ice skating rink in the Olde Town Square during the winter season.

Commissioner Steinhaus attended a recent Olde Town Business Improvement District (BID) meeting. He stated that the BID Board is dedicated and is financially sound. He also noted that a BID Board Member voiced concern over the Tabernacle Church's proposed redevelopment creating further AURA Board discussion related to past projects in the Olde Town Historic District.

13. Committee Reports

None

14. Staff Reports

Maureen Phair, Executive Director, provided an update:

Ms. Phair noted the flash report is in the Board packet.

Ms. Phair reported a Special Meeting is scheduled for March 18 at 2 p.m.

Ms. Phair announced that the Fort Collins Downtown Development Authority (DDA) Board and staff are planning to visit and tour both Olde Town and Tennyson Street on March 13 at 10 a.m.

Corey Hoffmann, Legal Counsel, reported that there has been no response received related to the *Arvada for All the People* case.

15. Executive Session

Corey Hoffmann, Legal Counsel, stated the need for an Executive Session for the purpose of Instructions to Negotiators, Pursuant to CRS 24-6-402(4) (e) related to the Tabernacle Church and Affordable Housing Project.

Commissioner Piz Wilson moved to go into Executive Session for the reasons stated by Legal Counsel.

The following votes were cast on the Motion:
Voting yes: Jacobsen, Parker, Dolan, Cline, Piz Wilson, Steinhaus and Williams
The Motion was approved

The AURA Board convened into Executive Session at 7:50 p.m. and reconvened the Regular Meeting at 8:46 p.m.

Commissioner Williams moved that Chair Jacobsen be authorized to sign the three term sheets regarding the Tabernacle Church and potential Affordable Housing Project that are consistent with the discussions held in Executive Session.

The following votes were cast on the Motion:
Voting yes: Jacobsen, Parker, Dolan, Cline, Piz Wilson, Steinhaus and Williams
The Motion was approved

16. Adjournment

Chair Jacobsen adjourned the meeting at 8:50 p.m.

_____
Fred Jacobsen, Chair

ATTEST:

_____
Maureen Phair, Executive Director

_____
Carrie Briscoe, Recording Secretary

STIFEL

ARVADA URBAN RENEWAL AUTHORITY

Stifel Development Finance Experience

March 2020

David Bell, ***Managing Director***
Phone: (303) 291-5207
Email: belld@stifel.com

Firm Overview

STIFEL

Stifel Overview

- **NYSE Ticker:** SF **Founded:** 1890 **Global Employees:** 7,700+
- **Services:** Brokerage, investment banking, trading, investment advisory, and related financial services
- **Capital Position:** ***Total commitment capacity to solely underwrite approximately $3.7 billion of municipal securities***
- **Public finance is a core line of business for Stifel:** Unlike many of our competitors who have downsized their public finance presence, Stifel has expanded the scope of its practice.
- Stifel's public finance department includes 200+ experienced investment bankers and 11 underwriters in 37 offices.
- **Senior managed volume by number of issues ranked #1 in the country 2014 – 2019.**

National Public Finance Negotiated Rankings

2019 Lead Managed Issues (Ranked by # of Issues)

Rank	Firm	# of Issues	Mkt. Share	Par Amount (US$ mil)
1	STIFEL	853	11.7%	$16,050.5
2	RBC	605	9.3	24,515.5
3	Raymond James	438	6.7	11,723.4
4	Piper Jaffray	397	6.1	10,631.9
5	D A Davidson	367	5.6	4,707.9
6	Robert W Baird	324	5.0	4,267.3
7	BAML	319	4.9	43,875.5
8	Citi	295	4.5	34,504.0
9	J P Morgan	244	3.8	23,728.0
10	Morgan Stanley	227	3.5	28,776.4

Source: SDC Thomson Reuters as of 1/2/2020. National negotiated transactions, rankings measured by number of issues allocated to Book Runner.

Public Finance Negotiated Rankings

Negotiated New Issues
- 1st Ranked by number of issues

Development Project Bonds
- 1st Ranked by number of issues
- 1st Ranked by par amount

K-12 Rankings
- 1st Ranked by number of issues
- 1st Ranked by par amount

Colorado Negotiated
- 2nd Ranked by number of issues
- 2nd Ranked by par amount

Issues Below $25M
- 1st Ranked by number of issues
- 1st Ranked by par amount

Taxable Negotiated New Issues
- 1st Ranked by number of issues

Tax Increment Bonds
- 1st Ranked by number of issues
- 1st Ranked by par amount

K-12 Bonds
- 1st Ranked by number of issues

Distribution Strengths

- **Broad Service Platform:** 200-member Public Finance team located in 38 offices
- **Distribution System:** Balanced platform with ability to sell bonds directly to all classes of muni bond buyers
- **Institutional Sales & Trading:** 315 salespeople and traders covering all tiers of investors
- **Private Client Group:** 3,309 professionals in 366 offices across 43 states managing over $300 billion in assets.

Stifel Public Finance & Colorado Presence

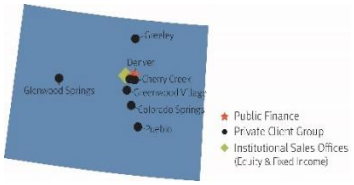
Stifel's Colorado Presence

Stifel's Colorado Public Finance Team

- Stifel offers issuers a strong and growing local presence backed by the depth of resources of a national firm.
- Stifel maintains one of the few full-service public finance offices in Colorado with 8 Colorado public finance bankers and 2 underwriters

Colorado Retail Capabilities

- Stifel has seven retail offices in Colorado: in Greeley, Cherry Creek, Greenwood Village, Denver Tech Center, Pueblo, Colorado Springs, and Glenwood Springs
- Stifel has over 24,500 retail accounts within Colorado which total over $3.6 billion assets under management



Stifel Acquires George K Baum and Company

- On September 30, 2019, Stifel Financial Corp. (NYSE: SF) acquired certain assets of George K. Baum & Company ("GKB"), a recognized industry leader in the structuring, underwriting, and marketing of taxable and tax-exempt municipal securities.
- This transaction brings GKB's nationally recognized municipal securities business to Stifel and further strengthens Stifel's ability to provide top tier service to municipal issuer clients and non-profit borrowers. Further, GKB's regional and sector focused practices provide a unique fit with Stifel's existing public finance structure and a strong foundation to grow our businesses.
- The combined firms maintain 37 municipal offices nationwide and are made up of more than 350 municipal finance professionals.

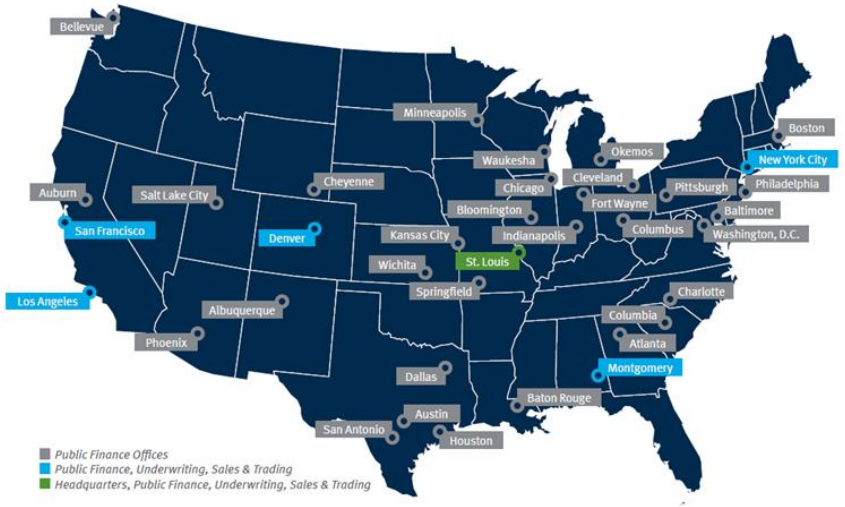
Colorado Rankings

2019 Lead Managed Negotiated Issues (Ranked by Par)

Rank	Firm	# of Issues	Mkt. Share	Par Amount (US$ mil)
1	JP Morgan	$1,697.4	15.6%	12
2	**STIFEL**	**1,680.3**	**15.4**	**46**
3	RBC	1,658.1	15.2	31
4	DA Davidson	1,254.8	11.5	68
5	Morgan Stanley	1,153.9	10.6	9
6	Citi	936.3	8.6	7
7	KeyBanc	772.0	7.1	3
8	Wells Fargo	570.9	5.2	6
9	Barclays	487.1	4.5	12
10	Goldman Sachs	214.6	2.0	1

Source: SDC Thomson Reuters as of 1/2/2020. National negotiated transactions, rankings measured by number of issues allocated to Book Runner.

Stifel Public Finance Offices



Public Offering vs. Private Placement

Negotiated Underwriting – Public Offering	Negotiated - Private Placement
• Long term fixed interest rate • Future call optionality/flexibility • More investors looking at orders and potentially driving down overall cost of borrowing • Typical call option is between 5-10 Years • Often provides the best pricing through competition • Different types of buyers prefer bonds with different maturities or coupon structures	• Fixed interest rate options usually between 5-7 years • Low Coupons issued at par, reducing future call optionality/flexibility • Shorter call options may be available • Higher risk financings that are not suitable in the public market and lower rated credits may be more efficient as a private placement

Preliminary Debt Service Numbers

STIFEL

Negotiated Transaction[1]									
Year	Property Tax Revenues for DS	$15M of Net Proceeds				$20M of Net Proceeds			
		Total DS	Coverage (%)	Surplus Revenues	PV of Surplus at 3%	Total DS	Coverage (%)	Coverage ($)	PV of Surplus at 3%
2020	1,830,000	878,025	2.08	951,975	937,906	1,181,100	1.55	648,900	639,310
2021	1,929,600	930,000	2.07	999,600	955,934	1,251,200	1.54	678,400	648,765
2022	2,114,392	1,027,200	2.06	1,087,192	1,009,197	1,382,400	1.53	731,992	679,479
2023	3,442,380	1,801,250	1.91	1,641,130	1,478,702	2,427,600	1.42	1,014,780	914,344
2024	5,064,172	2,750,250	1.84	2,313,922	2,023,738	3,705,000	1.37	1,359,172	1,188,721
2025	5,139,738	2,783,000	1.85	2,356,738	2,000,713	3,748,600	1.37	1,391,138	1,180,983
2026	5,172,324	2,793,750	1.85	2,378,574	1,960,009	3,755,600	1.38	1,416,724	1,167,419
2027	5,250,043	2,828,250	1.86	2,421,793	1,937,075	3,802,200	1.38	1,447,843	1,158,059
2028	5,283,956	2,835,000	1.86	2,448,956	1,901,333	3,811,600	1.39	1,472,356	1,143,115
TOTAL	-	18,626,725		16,599,880	14,204,609	25,065,300		10,161,305	8,720,197

Bank Placement									
Year	Property Tax Revenues for DS	$15M of Net Proceeds				$20M of Net Proceeds			
		Total DS	Coverage (%)	Surplus Revenues	PV of Surplus at 3%	Total	Coverage (%)	Surplus Revenues	PV of Surplus at 3%
2020	1,830,000	1,456,566	1.26	373,434	367,916	1,456,566	1.26	373,434	367,916
2021	1,929,600	1,545,495	1.25	384,105	367,326	1,545,495	1.25	384,105	367,326
2022	2,114,392	1,711,334	1.24	403,058	374,143	1,711,334	1.24	403,058	374,143
2023	3,442,380	2,916,914	1.18	525,466	473,459	2,916,914	1.18	525,466	473,459
2024	5,064,172	4,118,242	1.23	945,930	827,303	4,462,818	1.13	601,354	525,939
2025	5,139,738	4,181,557	1.23	958,181	813,432	4,548,981	1.13	590,757	501,513
2026	5,172,324	2,175,966	2.38	2,996,358	2,469,080	4,592,948	1.13	579,376	477,421
2027	5,250,043	-		5,250,043	4,199,255	3,621,478	1.45	1,628,565	1,302,610
2028	5,283,956	-		5,283,956	4,102,386			5,283,956	4,102,386
TOTAL	-	18,106,074		17,120,531	13,994,299	24,856,535		10,370,070	8,492,713

(1) Notes: Preliminary and subject to change; interest rate assumptions are based on current market conditions and similar credits; issuer's actual results may differ, and Stifel makes no commitment to underwrite at these levels; and costs of issuance and underwriter's discount are estimates for discussion purposes.

(2) Preliminary amortization provided by Vectra Bank.

MSRB Disclosure

Stifel, Nicolaus & Company, Incorporated ("Stifel") has prepared the attached materials. Such material consists of factual or general information (as defined in the SEC's Municipal Advisor Rule). Stifel is not hereby providing a municipal entity or obligated person with any advice or making any recommendation as to action concerning the structure, timing or terms of any issuance of municipal securities or municipal financial products. To the extent that Stifel provides any alternatives, options, calculations or examples in the attached information, such information is not intended to express any view that the municipal entity or obligated person could achieve particular results in any municipal securities transaction, and those alternatives, options, calculations or examples do not constitute a recommendation that any municipal issuer or obligated person should effect any municipal securities transaction. Stifel is acting in its own interests, is not acting as your municipal advisor and does not owe a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934, as amended, to the municipal entity or obligated party with respect to the information and materials contained in this communication.

Stifel is providing information and is declaring to the proposed municipal issuer and any obligated person that it has done so within the regulatory framework of MSRB Rule G-23 as an underwriter (by definition also including the role of placement agent) and not as a financial advisor, as defined therein, with respect to the referenced proposed issuance of municipal securities. The primary role of Stifel, as an underwriter, is to purchase securities for resale to investors in an arm's- length commercial transaction. Serving in the role of underwriter, Stifel has financial and other interests that differ from those of the issuer. The issuer should consult with its' own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate.

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ARVADA URBAN RENEWAL AUTHORITY
AGENDA INFORMATION SHEET

Agenda No.: Item 8A

Meeting Date: March 4, 2020

Title: Cooperation Agreement between City of Arvada, Arvada Urban Renewal Authority and Arvada Fire Protection District

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ACTION PROPOSED: Approve the Cooperation Agreement between City of Arvada, Arvada Urban Renewal Authority and Arvada Fire Protection District.

INFORMATION ABOUT ITEM: AURA has existing urban renewal areas (URA) within the Arvada Fire Protection District's (District) jurisdiction in which the District provides emergency service. AURA may also establish future or modify existing URA boundaries within the District's jurisdiction. In order to reduce potential adverse impacts of TIF on the District's ability to provide emergency services within the existing or future URAs, the Parties wish to allow the District to retain the following revenues:

1. Any additional revenues the District receives as a result of a voter-approved property tax increase after the approval or modification of an urban renewal plan.
2. Ralston Fields Urban Renewal Area. If this URA is substantially modified or the TIF clock extended, the District shall receive 100% of the TIF attributable to the District's mill level.
3. Olde Town Station Urban Renewal Area. If this URA is substantially modified or the TIF clock extended, the District shall receive 50% of the TIF attributable to the District's mill level.
4. Future URAs not related to 2 & 3 above are not impacted. AURA will receive 100% allocation of TIF in future URAs.

Additional conditions:

1. In future URAs, if an AURA undertaking or activity disproportionately increases call volume, service demand, and/or capital facility needs for the District, the Parties agree to confer in good faith a means to address the impacts to the District.
2. If all AURA debt obligations have been met in an URA, the District will receive their pro rata share of any monies remaining in AURA's TIF revenue accounts.

FINANCIAL IMPACT: Should any of the above occur, AURA TIF revenue will be reduced by the TIF attributable to the District's current mill levy.

STAFF RECOMMENDATION: Approve the Cooperation Agreement between City of Arvada, Arvada Urban Renewal Authority and Arvada Fire Protection District.

SUGGESTED MOTION: I move that the AURA Board approve the Cooperation Agreement between City of Arvada, Arvada Urban Renewal Authority and Arvada Fire Protection District.

RESOLUTION AR-20-01

A RESOLUTION OF THE ARVADA URBAN RENEWAL AUTHORITY APPROVING THE COOPERATION AGREEMENT BETWEEN THE AUTHORITY, THE CITY OF ARVADA, AND THE ARVADA FIRE PROTECTION DISTRICT

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE ARVADA URBAN RENEWAL AUTHORITY, THAT:

Section 1. The Authority hereby approves the Cooperation Agreement between the City of Arvada, the Arvada Urban Renewal Authority, and the Arvada Fire Protection District, attached hereto as **Exhibit A** (the "Cooperation Agreement"), and authorizes the Chairman to execute the Cooperation Agreement on behalf of the Authority.

DATED this ___ of _____, 2020.

_____
Fred Jacobsen

_____
Recording Secretary

APPROVED AS TO FORM

_____
Corey Y. Hoffmann, Legal Counsel

COOPERATION AGREEMENT
BETWEEN
CITY OF ARVADA, ARVADA URBAN RENEWAL AUTHORITY
AND ARVADA FIRE PROTECTION DISTRICT

This Cooperation Agreement ("***Agreement***"), effective this ____ day of _____, 201_ ("***Effective Date***"), is entered into by and between the Arvada Fire Protection District ("***District***"), the City of Arvada ("***City***"), and the Arvada Urban Renewal Authority ("***AURA***"). The District, the City and AURA shall be referred to collectively as the "***Parties***" or individually as a "***Party***".

I. Recitals

WHEREAS, the District is a political subdivision of the State of Colorado, duly organized to provide fire suppression, fire prevention and public education, rescue, extrication, hazardous materials, ambulance and emergency medical services (collectively, "***Emergency Services***"); and,

WHEREAS, the City is a home rule municipality of the State of Colorado authorized to exercise its powers under and pursuant to the Colorado Constitution and state law; and,

WHEREAS, effective May 7, 2001 the City and the District entered into *An Intergovernmental Agreement By And Between The Arvada Fire Protection District And The City Of Arvada Regarding Provision For Fire Services*, which was updated and renewed effective May 1, 2016. Pursuant to the intergovernmental agreement, the District is obligated to provide Emergency Services to the citizens and property within the City; and,

WHEREAS, AURA is a corporate body organized pursuant to the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31, C.R.S. ("***Act***"); and,

WHEREAS, prior to the Effective Date, AURA has, with the City's approval, established the following urban renewal areas within the District's jurisdiction: Northwest Arvada Urban Renewal Area; Ralston Fields Urban Renewal Area; Modified Jefferson Center Urban Renewal Area; Olde Town Station Urban Renewal Area; and, Village Commons Urban Renewal Area ("***Existing Urban Renewal Areas***"). The District provides Emergency Services to the citizens and property within the Existing Urban Renewal Areas; and,

WHEREAS, after the Effective Date, AURA may, with the City's approval, modify the urban renewal plans for one or more of the Existing Urban Renewal Areas. In addition, after the Effective Date, AURA may, with the City's approval, establish one or more additional Urban Renewal Areas within the District's jurisdictional boundaries ("***Future Urban Renewal Areas***"). The District will provide Emergency Services to the citizens and property within any Future Urban Renewal Areas; and,

WHEREAS, the Existing Urban Renewal Areas were established for the purposes authorized by the Act and are funded through tax increment financing ("***TIF Financing***"),

pursuant to C.R.S. § 31-25-107(9)(a). In order the reduce the adverse impact the TIF Financing may have on the District's continuing ability to provide Emergency Services within the Existing Urban Renewal Areas, the Parties wish to allow the District to retain 100% of the revenue generated by a voter approved increase in the District's property tax rate that otherwise would be subject to the TIF Financing allocation set forth in C.R.S. § 31-25-107(9)(a).

WHEREAS, with the City's approval, AURA may seek to include TIF Financing in any Future Urban Renewal Areas. Prior to taking such action, the Parties are required, pursuant to C.R.S. § 31-25-107(9.5)(a), to enter into an agreement as to what share of the revenue generated from the TIF Financing will be allocated to AURA and what share of the revenue generated from the TIF Financing will be allocated to the District;

WHEREAS, the Parties desire to address allocation of TIF Financing in Future Urban Renewal Areas to provide certainty to all Parties regarding the allocation of TIF Financing within all urban renewal areas in the City existing now and in the future; and

WHEREAS, the Parties are authorized to enter into this Agreement pursuant to law, including without limitation C.R.S. § 29-25-112 and C.R.S. § 31-25-107(9.5)(a).

NOW THEREFORE, in consideration of the foregoing recitals, and each Party's covenants, promises and agreements set forth herein, the Parties agree as follows:

II. Agreement

1. Sharing of Tax Increment.

A. In accordance with C.R.S. § 31-25-107(9)(a)(II), any additional revenues the District receives as a result of any voter-approved property tax increase after the approval or modification of an urban renewal plan, to the extent the District's total mill levy exceeds the mill levy in effect as of the effective date of the approval or modification of such urban renewal plan, shall be allocated directly to the District and shall not be deposited into the Arvada FPD TIF Revenue Account (defined below).

B. Ralston Fields Urban Renewal Area. The City and AURA agree that in the event the City adopts a new urban renewal plan that includes all or part of the existing Ralston Fields Urban Renewal Area, or substantially modifies the existing Ralston Fields Urban Renewal Area so as to extend the time in which TIF Financing is collected beyond 2028, AURA shall remit one hundred percent (100%) of the TIF Financing attributable to the District's mill levy back to the District.

C. Olde Town Station Urban Renewal Area. The City and AURA agree that in the event the City adopts a new urban renewal plan that includes all or part of the existing Olde Town Station Urban Renewal Area, or substantially modifies the existing Olde Town Station Urban Renewal Area so as to extend the time in which TIF Financing is collected, AURA shall remit fifty percent (50%) of the TIF Financing attributable to the District's mill levy back to the District.

D. Future Urban Renewal Areas. Unless otherwise provided by subsections B. and C. of this Section 1, the District hereby consents to the allocation of one hundred percent (100%) of the TIF Financing generated by the District's mill levy pursuant to C.R.S. § 31-25-107(9.5) for any Future Urban Renewal Areas that are new or substantially modified urban renewal plans adopted by the City.

2. Undertakings or Activities with a Disproportionate impact on the District. The tax revenue generated by the District's property tax levy within any Existing Urban Renewal Areas shall continue to be divided between the District and AURA in accordance with the allocation formula set forth in the Act and this Agreement. Notwithstanding the provisions of this Agreement, in the event that a property being redeveloped within a Future Urban Renewal Area includes a use that may lead to disproportionately increased (a) call volume, (b) service demand, and/or (c) capital facility needs for the District, such as a skilled nursing facility or similar type of assisted living facility use, then AURA and the District agree to confer in good faith regarding how to address such impacts on the District.

3. Extinguishment of Indebtedness. In accordance with C.R.S. § 31-25-107(9)(a)(II), when all AURA bonds, loans, advances, and indebtedness incurred in connection with an Existing Urban Renewal Area or a Future Urban Renewal Area, if any, have been paid, all moneys remaining in the Arvada TIF Revenue Account that have not previously been rebated and that originated as TIF Financing generated based on the District's mill levy within the boundaries of that Existing Urban Renewal Area or a Future Urban Renewal Area, shall be repaid to the District based on the pro rata share of the prior year's TIF Financing attributable to the District's current mill levy.

4. Payment and Accounting. AURA agrees to deposit into a separate account created for such purpose ("***Arvada FPD TIF Revenue Account***") all of the property tax revenue allocated to the District pursuant to paragraphs 1 or 2 above. On or before the 1st day of January, April, July and October of each year, AURA shall (a) transfer to the District all revenues deposited in the Arvada FPD TIF Revenue Account during the preceding quarter; and, (b) provide the District with a written accounting, segregated by urban renewal area. The accounting shall state (i) the property tax revenue being transferred to the District pursuant to paragraphs 1 and 2, above; (ii) the property tax being received by AURA pursuant to paragraphs 1 and 2, above; and (iii) the methodology by which the allocations under paragraphs 1 and 2, above, were calculated.

5. Governmental Immunity. This Agreement is not intended, and shall not be construed, as a waiver of the limitations on damages, or any of the privileges, immunities, or defenses, provided to or enjoyed by the Parties, and their current and former commissioners, council members, directors, officers, employees and volunteers, under federal or state constitutional, statutory or common law, including but not limited to the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq*.

6. Relationship of Parties. Notwithstanding any language in this Agreement, the Parties shall not be deemed to be partners or joint venturers, and no Party shall be responsible for any debt or liability of any other Party.

7. Additional Provisions. Colorado law governs this Agreement. Jurisdiction and venue lie exclusively in the Jefferson County District Court. This Agreement constitutes the entire Agreement between the Parties, and supersedes all prior and contemporaneous conversations, negotiations, and possible alleged agreements concerning the subject matter hereof. This Agreement may be amended only by a document signed by the Parties. Course of performance, no matter how long it may continue, shall not be construed as an amendment of this Agreement. If any provision of this Agreement is held invalid or unenforceable, all other provisions shall continue in full force and effect. Waiver of a breach of this Agreement shall not operate or be construed as a waiver of any subsequent breach of this Agreement. This Agreement shall inure to the benefit of and be binding upon the Parties and their legal representatives, successors, and permitted assigns. This Agreement is not intended to, and shall not, confer rights on any person or entity not named as a party to this Agreement. In any dispute arising from or relating to this Agreement, the prevailing Party shall be awarded its reasonable attorneys' fees, costs and expenses, including any attorneys' fees, costs, and expenses incurred in collecting upon any judgment, order or award. This Agreement may be executed in several counterparts and by original signature, facsimile or electronic pdf copy, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused their duly authorized officials to execute this Agreement effective as of the day and year first above written.

ARVADA FIRE PROTECTION DISTRICT

By: _____ 2/11/19
Robert Loveridge, President Date

ATTESTED:

By: _____ 12/11/19
Timothy D. Allport, Secretary Date

CITY OF ARVADA

By: _____
Mayor Date

ATTESTED:

By: _____
City Clerk Date

ARVADA URBAN RENEWAL AUTHORITY

By: _____
Chairman Date

ATTESTED:

By: _____
Secretary Date

ARVADA URBAN RENEWAL AUTHORITY
AGENDA INFORMATION SHEET

Agenda No.: 8B

Meeting Date: March 4, 2020

Titles: Purchase and Sales Agreement between AURA and Aiden Inc. (Gas Station)
Lease between AURA and Universal Gas and Food Mart Corp.
Lease between AURA and Pennetta's One Stop Auto Repair, Inc.

ACTION PROPOSED: Approval of the Purchase and Sale Agreement between AURA and Aiden Inc. for

INFORMATION ABOUT THE ITEM: AURA is purchasing the gas station located on the NW corner of Garrison St. and Ralston Road for the purpose of redevelopment. The property will be included the Ralston Creek master plan.

AURA will purchase the property in March 2020 and enter into two leases, one with Pennetta's One Stop Auto Repair and the other with Universal Gas and Food Mart Corp.

The lease with Pennetta's will expire on May 31, 2020; they will not be required to pay rent. AURA has agreed to pay Pennetta's $100,000 for the cost of relocating its business.

The lease with Universal Gas and Food Mart Corp. expires on June 30, 2020 with a monthly rent of $5,000 through May and June at no cost. At the beginning of June, Universal Gas will pull the tanks and conduct the environmental testing.

Cost of tank removal, assuming that no contamination is discovered:

Proposal	$70,150.09	
Less	(30,000.00)	Tank reimbursement fund
Net Cost	$40,150.09	Cost to be shared 50/50 by Aiden and AURA

If there is no contamination, the State will issue a No Further Action Letter. If there is contamination, Universal Gas will confirm Fund eligibility and then transfer its eligibility to AURA and AURA will oversee the cleanup. Universal Gas will deliver $45,000 into escrow to pay for any fees associated with the State cleanup. Total risk to the seller is $70,000 plus the cost to remove the tanks.

Environmental Condition: The Colorado Department of Labor and Employment Division of Oil and Public Safety is the overseeing agency. A release was discovered in 1997, four owners prior to Aiden Inc., and is currently being remediated as part of the State Lead Responsible Party Program. Aiden Inc., and any subsequent owner are not responsible with regards to this release. The property is close to receiving A No Further Action letter from the State.

AURA had a Phase II conducted on the property and no additional contamination, other than the release in 1997, was discovered.

FINANCIAL IMPACT:

AURA's cost to acquire property:

$3,000,000	Purchase of gas station property
100,000	Pennetta's relocation expense
20,150	50% share to remove the tanks.
10,000	Rent paid by Universal Gas for April and May
$3,110,150	Cost to acquire property

Additional expenses:

$ 200,000	Estimate to remove the structure
17,200	Environmental Phase I and Phase II reports
$ 217,200	

AURA has the capacity to finance the purchase of the gas station parcel out of the Ralston Fields fund. If the Board chooses to issue debt, AURA can reimburse the funds associated with the purchase out of the future debt proceeds by approving and adopting a Resolution to Intent to use Bond Proceeds in the Ralston Fields Urban Renewal Area.

COMMUNITY BENEFIT: This property has been blighted for years, cleaning up a key intersection and entrance into Ralston Creek will make a positive impact to the neighborhood. Preliminary plans for the site include an active and plaza with small restaurants.

STAFF RECOMMENDATION: Approval of the Purchase and Sale Agreement between Aiden, Inc. and AURA along with the two leases – Universal Gas and Food Mart and Pennetta's One Stop Auto Repair.

SUGGESTED MOTION: I move that the AURA Board approve Resolution AR-20-02, a resolution of the Arvada Urban Renewal Authority approving the purchase of certain property located at 9205 W. 58th Avenue for blight eliminating and redevelopment in accordance with the Colorado urban renewal law.

I move that the AURA Board approve Resolution AR-20-03, a resolution of intent to use bond proceeds in the Ralston Fields urban renewal area.

RESOLUTION AR-20-02

A RESOLUTION OF THE ARVADA URBAN RENEWAL AUTHORITY APPROVING THE PURCHASE OF CERTAIN PROPERTY LOCATED AT 9205 W. 58th AVENUE FOR BLIGHT ELIMINATION AND REDEVELOPMENT IN ACCORDANCE WITH THE COLORADO URBAN RENEWAL LAW

WHEREAS, the Arvada Urban Renewal Authority (the "Authority") wishes to acquire the property more located at 9205 W. 58th Avenue (the Property"), which Property is located within the boundaries of the Ralston Fields Urban Renewal Plan (the "Plan"), which Plan was adopted by the Arvada City Council on or about October 13, 2003; and

WHEREAS, the owner of the Property desires to voluntarily sell and convey the Property to the Authority as more particularly described in the Purchase and Sale Agreement between the Authority and Seller Aidan, Inc. ("Seller").

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE ARVADA URBAN RENEWAL AUTHORITY, THAT:

Section 1. The Authority hereby approves the Purchase and Sale Agreement for the Property, attached hereto as **Exhibit A**, and incorporated herein by this reference, and the Chairman of the Authority is hereby authorized to execute the Purchase and Sale Agreement, and any other documents necessary to complete the acquisition of the Property.

DATED this ___ of _____, 2020.

_____
Fred Jacobsen

_____
Recording Secretary

APPROVED AS TO FORM

_____
Corey Y. Hoffmann, Legal Counsel

PURCHASE AND SALE AGREEMENT
(9205 W. 58th Ave., Arvada, CO)

THIS PURCHASE AND SALE AGREEMENT (this "**Agreement**") is entered into and effective as of the ___ day of March 2020 ("**Effective Date**"), by and between Aidan, Inc., a Colorado corporation ("**Aidan**" or "**Seller**") and Arvada Urban Renewal Authority ("**Buyer**").

RECITALS:

A. Seller is the owner of the real property and improvements located at 9205 W. 58th Ave., as more particularly described in this Agreement;

B. Seller desires to sell, and Buyer desires to purchase, the Property (as defined below), subject to the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller hereby agree, and instruct Title Company (as defined below), as follows:

ARTICLE 1 - DEFINITIONS

1.1 "**AST**" means any one or a combination of containers, vessels, and enclosures, including structures and appurtenances connected to them, constructed of nonearthen materials, including but not limited to concrete, steel, or plastic, which provide structural support, used to contain or dispense petroleum products and the volume of which, including the pipes connected thereto, is ninety percent or more above the surface of the ground, and all the connected piping and ancillary equipment, all loading facilities, and all containment systems if applicable.

1.2 "**Closing**" shall mean the consummation of the purchase and sale of the Property in accordance with the terms of this Agreement.

1.3 "**Closing Date**" shall mean the date on which the Closing shall occur, which shall be a date and time to be agreed upon by Buyer and Seller, but no later than March 31, 2020 provided, however, that either Buyer or Seller shall have the unilateral right to extend the Closing Date by up to three (3) Business Days due to lender, technical or physical closing delays, which extension shall be effectuated by the extending party delivering written notice of the exercise of such extension to the non-extending party; or at an earlier date upon agreement of Buyer and Seller.

1.4 **"Contracts"** shall mean all equipment leases, contracts and agreements with Seller relating to the upkeep, repair, maintenance or operation of the Property which by their terms extend beyond the Closing Date.

1.5 "**Improvements**" shall mean all buildings and other improvements owned by Seller and located on the Land. Improvements do not include any USTs, ASTs or improvements owned or leased by any Tenant or other occupant of the Land.

1.6 **Land**" shall mean the land located in Jefferson County, Colorado, as more particularly described on **Exhibit A** attached hereto.

1.7 "**Leases**" shall mean those lease agreements pursuant to which a Tenant occupies or has a right to occupy any part of the Property.

1.8 "**New Leases**" shall mean those certain lease agreements for the Property or a portion of the Property to be entered into at Closing between Buyer, as landlord, and Universal Gas and Food Mart Corporation ("Universal"), as tenant; and between Buyer, as Landlord, and Pennettas One Stop Auto Repair, Inc. ("Pennettas"), as tenant.

1.9 "**Personal Property**" shall mean all tangible personal property owned by Seller or any Tenant that is located on the Property as of the Effective Date.

1.10 "**Property**" shall mean the Improvements and the Land, together with all rights and interests appurtenant to the Land, including all of Seller's right, title and interest in and to adjacent streets, alleys, rights of way, and any adjacent strips or gores of real estate, and all right, title and interest of Seller appurtenant to the Land.

1.11 "**Purchase Price**" shall mean the sum of three million and 00/100 dollars ($3,000,000.00), subject to proration and adjustment as provided in this Agreement.

1.12 "**Remediation**" means collectively any environmental assessment, investigation, response, monitoring, remediation, and/or other corrective action addressing contamination.

1.13 "**Title Company**" shall mean First Integrity Title Company, 91141 Walnut Street, Suite 101, Denver, CO 80205; Attention: Sabina Petkov; spetkov@firstintegritytitle.com (720) 351-4411.

1.14 "**UST**" means any one or combination of tanks, including underground pipes connected thereto that is used to contain an accumulation of petroleum products and the volume of which, including the volume of underground pipes connected thereto is ten percent or more beneath the surface of the ground, and any underground ancillary equipment and containment system, if any.

ARTICLE 2 - PURCHASE AND SALE

2.1 **Purchase and Sale of the Property**. At the Closing, Seller shall convey fee simple title to the Property to Buyer, subject to the Permitted Exceptions, by Special Warranty Deed substantially in the form attached hereto as **Exhibit B**.

ARTICLE 3 - PAYMENT OF PURCHASE PRICE; ESCROW INSTRUCTIONS

3.1 **Payment of Purchase Price**. The Purchase Price, subject to proration and adjustment as set forth in this Agreement, shall be delivered by Buyer to Title Company by wire transfer or other good funds at Closing. At Closing, Title Company shall distribute the Purchase Price to Seller, subject to prorations and other adjustments as provided in this Agreement.

ARTICLE 4 - DUE DILIGENCE

4.1 Property Materials.

(A) As of the Effective Date, Seller has made, or will make, the following documents, to the extent in Seller's possession or reasonable control (collectively, the "Property Materials") available to Buyer for review and copying at Buyer's sole cost and expense:

- Any reports, studies, assessments, orders, or Closure letters relating to the environmental condition of the Property;
- Any soils reports for the Property;
- Any engineering reports or studies for the Property; and
- Any surveys of the Property.

(B) Buyer acknowledges that Seller is affording Buyer the opportunity for full and complete investigations, examinations and inspections of the Property. Buyer acknowledges and agrees that Seller has not made any independent investigation or verification of, nor has any knowledge of, the accuracy or completeness of any of the information contained in the Property Materials and the Property Materials and other Property information are being furnished to Buyer at its request and for the convenience of Buyer. Buyer is relying solely on its own investigations of the Property and is not relying in any way on the Property Materials and other Property information furnished by Seller. Seller expressly disclaims any representations or warranties with respect to the accuracy or completeness of the information contained in the Property Materials and other Property information provided by Seller to Buyer and any duty of disclosure, including without limitation, any duty of disclosure otherwise provided for in this Agreement, and Buyer releases Seller and Seller's affiliates, and their agents and representatives, from any and all liability with respect to the Property Materials and other Property information provided by Seller to Buyer.

4.2 Seller Environmental Disclosure. Purchaser acknowledges that the Property has been, and currently is, used for the storage and sale of motor vehicle fuels and for auto repair; that USTs and hydraulic lifts are installed at the Property; that soil and groundwater contamination from a historic petroleum storage tank release, known as OPS Event ID 7472, exists on the Property and is the subject of Remediation being conducted by the Colorado Department of Labor and Employment, Division of Oil and Public Safety; and that there may be other surface and/or subsurface contamination at the Property.

ARTICLE 5 - TITLE AND SURVEY

Title Commitment; Title Documents. A commitment for title insurance has been obtained and is attached hereto as **Exhibit C**. At Closing, Seller shall provide Buyer a title policy ("**Title Policy**") that insures good and marketable title to the Property in Buyer, free of any lien, deed of trust or similar security instrument encumbering the Property, any lien for delinquent taxes or assessment, and any other monetary encumbrance or lien that is created by, through or under Buyer, and subject only to the exceptions specified on Exhibit B of Exhibit B

attached hereto. Seller shall be responsible only for payment of the basic premium for the Title Policy and the cost up to one hundred and 00/100 Dollars ($100.00) to delete or endorse over the Standard Exceptions (extended coverage). Buyer shall be solely responsible for payment of all other costs relating to procurement of the title policy and any endorsements requested by Buyer or by Buyer's lender. Notwithstanding the foregoing, if the Title Company is unable to delete or insure over any of the Standard Exceptions at a cost less than one hundred and 00/100 Dollars ($100.00) in the aggregate for all Standard Exceptions, Buyer's only recourse or remedy is to terminate this Contract.

ARTICLE 6 – NEW LEASES

6.1 **Pennettas' New Lease**. Prior to Closing, Buyer shall work in good faith to negotiate a New Lease between Buyer and Pennettas to be entered into at Closing. Such New Lease shall be for a term that expires on May 31, 2020 and shall contain such additional terms as may be either customary or reasonable to allow continued operation of an auto repair business in Pennettas' current location and to assure that Pennettas promptly and orderly vacates the premises upon termination of the New Lease.

6.2 **Universal's New Lease**. At Closing, the Buyer shall enter a New Lease with Universal that is substantially in the form of the lease attached hereto as **Exhibit D**.

ARTICLE 7 - REPRESENTATIONS AND WARRANTIES; AS-IS

7.1 **Seller's Representations and Warranties**. Seller represents and warrants to Buyer the following (collectively, "**Seller's Representations**"):

(A) Seller is a corporation organized, existing and in good standing under the laws of the state of Colorado. Seller has and at Closing shall have the full power and authority to execute and deliver this Agreement, and perform all covenants and obligations of Seller under this Agreement.

(B) The individual executing this Agreement and the agreements, instruments and other documents to be executed by Seller pursuant to this Agreement have been duly authorized to bind Seller to the terms and conditions hereof and thereof.

(C) This Agreement is valid, binding and enforceable against Seller in accordance with its terms.

(D) The execution of this Agreement and performance of Seller's covenants and obligations hereunder will not conflict with, or result in a breach of, or constitute a default under, any contract, agreement, court order, judgment, decree or other similar instrument by which Seller or the Property is bound.

(E) Seller has not (i) made an assignment for the benefit of creditors; (ii) filed or had filed against it any petition in bankruptcy; (iii) suffered the appointment of a receiver to take possession of all or substantially all of its assets; (iv) suffered the attachment or other judicial seizure of all, or substantially all, of its assets; or (v) made an offer of settlement, extension or composition to its creditors generally.

(F) Seller has not given or granted any third party any unrecorded right or option to acquire all or any portion of the Property.

(G) Seller is not a "foreign person," as that term is used and defined in the Internal Revenue Code, Section 1445, as amended.

(H) Except as provided in the Property Materials, or as expressly disclosed in this Agreement, Seller has not received written notice of any actions, proceedings, litigation or governmental investigations or condemnation actions pending against the Property, and, to Seller's knowledge, no such actions are threatened as of the Effective Date.

(I) Except as provided in the Property Materials, or as expressly disclosed in this Agreement, Seller has not received any written notice from a governmental agency of any material violations of any federal, state, county or municipal law, ordinance, order, regulation or requirement affecting the Property which remains uncured as of the Effective Date.

(J) Except (i) as provided in the Property Materials, including, but not limited to, (x) the Limited Site Investigation Report dated January 10, 2020 prepared for the Arvada Urban Renewal Authority by Terracon Consultants, Inc., and (y) Phase I Environmental Site Assessment Pennetta's/Universal Gas and Food Mart dated December 9, 2019 Terracon Project No. 25197583, prepared for Arvada Urban Renewal Authority by Terracon Consultants, Inc., and (ii) as described in this Agreement, to Seller's knowledge, the Property is not in violation of any of the Environmental Laws.

(K) Other than the Lease with Universal and a month-to-month lease with Pennettas, the Property is not subject to any written lease executed by Seller or, to Seller's knowledge, any other possessory interests of any third party. The documents constituting the Leases that are delivered to Buyer as part of the Property Materials are true, correct and complete copies of all of the Leases affecting the Property as of the date of their delivery, including any and all amendments and guarantees.

(L) As of the Effective Date and except for discussions with Pennettas regarding a period of free rent (as previously discussed with Buyer), Seller has neither given to, nor received from, any Tenant written notice that a material default exists under any Lease or asserting any defense, or right of set-off under any Lease, and, to Seller's knowledge, there are no defaults by either the landlord or any Tenants under the Leases. There are no pending rent audits by any Tenants.

(M) With respect to Leases in effect as of the Effective Date, all brokerage commissions, tenant improvement allowances, landlord work obligations, and other amounts required to be paid by Seller, as landlord under the Leases (collectively "Lease Costs"), have been fully performed, satisfied, paid or reimbursed in full, as applicable, and accepted by the applicable Tenant. With regard to Leases in effect as of the Effective Date, if not previously paid, Seller shall pay all Lease Costs on or before the Closing Date.

(N) Seller, as landlord under the Leases, has performed any and all reconciliations of reimbursable expenses related to periods prior to the commencement of

calendar year 2019 required to be made by Seller, as landlord under the Leases, and has reimbursed all Tenants such amounts as such Tenants are entitled under the Leases, if any.

(O) As of the Effective Date, Seller has not entered into or, to Seller's knowledge, assumed any, and to Seller's knowledge there exist no other, contracts, subcontracts or agreements affecting the Property other than: (i) the Contracts identified in the Property Materials; (ii) the Leases; and (iii) all liens, encumbrances, covenants, conditions, restrictions, easements and other matters of record (including, without limitation, all matters set forth in the Title Documents). The copies of the Contracts delivered to Buyer as part of the Property Materials are true and complete copies of the Contracts. As of the Effective Date, Seller has neither given to, nor received from, any party to a Contract written notice that any material default currently exists under such Contract or asserting any defense, or right of set-off, under such Contract.

(P) Seller is not a Prohibited Person (as defined below). As used herein, a "Prohibited Person" is: (i) a person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, Executive Order No. 13224 on Terrorist Financing (effective September 24, 2001) (as amended, the "**Executive Order**"); (ii) a person or entity owned or controlled by, or acting for or on behalf of any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person or entity that is named as a "specially designated national" or "blocked person" on the most current list published by the U.S. Treasury Department's Office of Foreign Assets Control ("**OFAC**") at its official website, https://www.treasury.gov; (iv) a person or entity that is otherwise the target of any economic sanctions program currently administered by OFAC; or (v) a person or entity that is affiliated with any person or entity identified in any of the foregoing clauses (i), (ii), (iii) and (iv) of this Section.

7.2 As-Is.

(A) Except as expressly set forth in Section 7.1 of this Agreement and in the Deed, SELLER MAKES NO WARRANTIES OR REPRESENTATIONS of any kind or character, express or implied, with respect to the Property, its physical condition, income to be derived therefrom or expenses to be incurred with respect thereto, or with respect to information or documents previously furnished to Buyer or furnished to Buyer pursuant to this Agreement, or with respect to Seller's obligations or any other matter or thing relating to or affecting the same, and there are no oral agreements, warranties or representations collateral to or affecting the Property. Notwithstanding anything contained herein to the contrary, this Section shall survive the Closing and delivery of the Deed or any termination of this Agreement.

(B) BUYER ACKNOWLEDGES THAT THE CONVEYANCE OF THE PROPERTY IS SPECIFICALLY MADE "AS IS" AND "WHERE IS," WITHOUT ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED (EXCEPT ANY EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 7.1 OF THIS AGREEMENT OR IN THE DEED), INCLUDING IMPLIED WARRANTIES OF FITNESS FOR ANY PARTICULAR PURPOSE OR MERCHANTABILITY OR ANY OTHER WARRANTIES WHATSOEVER.

(C) BUYER ACKNOWLEDGES THAT, EXCEPT AS EXPRESSLY PROVIDED IN SECTION 7.1 OF THIS AGREEMENT OR IN THE DEED, NEITHER SELLER NOR ANY OF ITS AGENTS HAVE MADE, AND SPECIFICALLY NEGATE AND DISCLAIM, ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, OF, AS TO, CONCERNING, OR WITH RESPECT TO, (i) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, (ii) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH MAY BE CONDUCTED THEREON, (iii) THE COMPLIANCE OF OR BY THE PROPERTY WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY, (iv) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, OR (v) ANY OTHER MATTER WITH RESPECT TO THE CONDITION OF PROPERTY, AND SPECIFICALLY, EXCEPT AS EXPRESSLY PROVIDED IN SECTION 7.1 OF THIS AGREEMENT OR IN THE DEED, NEITHER SELLER NOR ANY OF ITS AGENTS HAVE MADE, AND SPECIFICALLY NEGATE AND DISCLAIM, ANY REPRESENTATIONS OR WARRANTIES REGARDING COMPLIANCE OF THE PROPERTY WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING THOSE PERTAINING TO SOLID WASTE, AS DEFINED BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY REGULATIONS AT 40 C.F.R., PART 261, OR THE DISPOSAL OR EXISTENCE, IN OR ON THE PROPERTY, OF ANY HAZARDOUS MATERIALS. BUYER SHALL RELY SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER OR ITS AGENTS OR CONTRACTORS. SELLER SHALL NOT BE LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY OR THE OPERATION THEREOF, FURNISHED BY ANY PARTY PURPORTING TO ACT ON BEHALF OF SELLER.

7.3 **Release**. Except for Seller's representation in Section 7.1(j), and Universal's obligations under Sections 11.2 through 11.6 of Universal's New Lease, Buyer and anyone claiming by, through or under Buyer, hereby fully and irrevocably releases Seller, Universal, and Seller and Universal's shareholders, directors, officers, managers, owners, partners, principals, agents, investors, employees, representatives, attorneys, insurers, affiliates, predecessors, successors, and assigns (collectively, the "Seller Parties") from any and all claims that Buyer or Buyer's successors in interest in the Property may now have, hereafter acquire or assert against any of the Seller Parties for any cost, loss, liens, debts, liability, obligation, demand, damage, expense, action or cause of action, whether foreseen or unforeseen, arising from or related to any condition of the Property, the presence of Hazardous Materials, violation of any Environmental Law or any other conditions (whether patent, latent or otherwise) affecting the Property as of the Closing Date. Buyer further acknowledges and agrees that this release shall be given full force and effect according to each of its expressed terms and provisions, including, but not limited to, those relating to unknown and suspected claims, damages and causes of action. As used in this Agreement, "Hazardous Materials" means: (a) hazardous wastes, hazardous substances, hazardous constituents, toxic substances or related materials, whether solids, liquids or gases,

including, but not limited to substances defined as "hazardous wastes," "hazardous substances," "toxic substances," "pollutants," "contaminants," "radioactive materials," or other similar designations in, or otherwise subject to regulation under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et. seq.; the Toxic Substance Control Act, 15 U.S.C. § 2601 et. seq.; the Hazardous Materials Transportation Act, 49 U.S.C. § 1802; the Resource Conservation and Recovery Act, 42 U.S.C. § 9601 et. seq.; the Clean Water Act, 33 U.S.C. § 1251 et. seq.; the Safe Drinking Water Act, 42 U.S.C. § 300(f) et. seq.; the Clean Air Act, 42 U.S.C. § 7401 et. seq.; the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. §§ 136–136y et seq.; and in any permits, licenses, approvals, plans, rules, regulations or ordinance adopted, or other criteria and guidelines promulgated pursuant to the preceding laws or other similar federal, state or local laws, regulations, rules or ordinances now or hereafter in effect relating to environmental matters (collectively, "Environmental Laws"); and (b) any other substances, constituents or wastes subject to any applicable federal, state or local law, regulation or ordinance, including any Environmental Law now or hereafter in effect, including but not limited to petroleum, refined petroleum products, waste oil, waste aviation or motor vehicle fuel, and asbestos. The provisions of this Section shall survive the Closing and delivery of the Deed or termination of this Agreement.

7.4 Survival of Seller's Representations. Seller's Representations shall survive Closing and delivery of the deed for a period of three (3) months after Termination of Universal's New Lease (the "**Survival Period**"). Any litigation for breach of Seller's Representations shall be initiated prior to expiration of the Survival Period or shall be deemed waived and released. In the event any of Seller's Representations shall become inaccurate after the Effective Date and prior to the Closing Date, Seller shall, upon obtaining knowledge thereof, promptly notify Buyer, in writing, and Buyer, as its sole remedy, shall have the option to terminate this Agreement by written notice delivered to Seller within five (5) Business Days after receipt of Seller's notice or the Closing Date, whichever first occurs, in which case each party shall be relieved of all further obligations hereunder, except as otherwise provided in this Agreement. If Buyer does not timely terminate this Agreement, then Buyer shall be deemed to have waived such breach of Seller's Representations. In the event that any of Seller's Representations become inaccurate prior to the Closing Date and if Buyer had knowledge that a Seller Representation had become inaccurate and nevertheless proceeded to Closing, Buyer shall be deemed to have waived any right of recovery, and Seller shall not have any liability in connection therewith.

7.5 Limitation on Damages. Notwithstanding anything contained herein to the contrary, the maximum amount that Buyer shall be entitled to collect from Seller in connection with all suits, litigation or administrative proceedings resulting from all breaches of any representation or warranty of Seller contained in Section 7.1 of this Agreement shall in no event exceed thirty thousand and 00/100 Dollars ($30,000.00) (the "Damages Cap") in the aggregate, unless such breach constitutes a fraudulent misrepresentation.

7.6 Definition of Seller's Knowledge. For purposes of this Agreement, the term "**to Seller's knowledge**" and any similar language shall mean and refer only to actual knowledge of the Designated Representative (as defined below) without any inquiry or investigation. As used herein, the term "**Designated Representative**" shall refer to Khalil B. Dizaji, who is the President of Seller. The fact that reference is made to the personal knowledge of the Designated

Representative shall not render the Designated Representative personally liable for any breach of any of Seller's Representations.

7.7 Buyer's Representations and Warranties. For the purpose of inducing Seller to enter into this Agreement and to consummate the purchase and sale of the Property, Buyer represents and warrants to Seller the following (collectively, "**Buyer's Representations**"):

(A) Buyer is an urban renewal authority organized, existing and in good standing under the laws of the state of Colorado. As of the Closing Date, Buyer will be in good standing under the laws of the state of Colorado. Buyer has and at Closing shall have the full power and authority to execute and deliver this Agreement, and perform all covenants and obligations of Buyer under this Agreement.

(B) The individual executing this Agreement and the agreements, instruments and other documents to be executed by Buyer pursuant to this Agreement have been duly authorized to bind Buyer to the terms and conditions hereof and thereof.

(C) This Agreement is valid, binding and enforceable against Buyer in accordance with its terms.

(D) The execution of this Agreement and performance of Buyer's covenants and obligations hereunder will not conflict with, or result in a breach of, or constitute a default under, any contract, agreement, court order, judgment, decree or other similar instrument by which Buyer is bound.

(E) Buyer is not a Prohibited Person (as defined below). As used herein, a "Prohibited Person" is: (i) a person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, Executive Order No. 13224 on Terrorist Financing (effective September 24, 2001) (the "Executive Order"); (ii) a person or entity owned or controlled by, or acting for or on behalf of any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person or entity that is named as a "specially designated national" or "blocked person" on the most current list published by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") at its official website, http://www.treas.gov/offices/ enforcement/ofac; (iv) a person or entity that is otherwise the target of any economic sanctions program currently administered by OFAC; or (v) a person or entity that is affiliated with any person or entity identified in clauses (i), (ii), (iii) and/or (iv) of this Section 7.7(E). To Buyer's actual knowledge without duty to investigate, none if its investors, affiliates, or brokers or agents (if any) acting or benefitting in any capacity in connection with this Agreement is a Prohibited Person.

7.8 Survival of Buyer's Representations. Buyer's Representations shall survive the Closing and delivery of the deed for the Survival Period. Any litigation for breach of Buyer's Representations shall be initiated prior to expiration of the Survival Period or shall be deemed waived and released. In the event any of Buyer's Representations shall become inaccurate after the Effective Date and prior to the Closing Date, Buyer shall, upon obtaining knowledge thereof, promptly notify Seller, in writing, and Seller, as its sole remedy, shall have the option to terminate this Agreement by written notice delivered to Buyer within five (5) Business Days

after receipt of Buyer's notice or the Closing Date, whichever first occurs, and each party shall be relieved of all further obligations hereunder, except as otherwise provided in this Agreement. If Seller does not timely terminate this Agreement, then Seller shall be deemed to have waived such breach of warranty or representations. In the event that any of Buyer's Representations become untrue prior to the Closing Date and if Seller had knowledge that a Buyer Representation had become inaccurate, Seller shall be deemed to have waived any right of recovery, and Buyer shall not have any liability in connection therewith.

ARTICLE 8 - OPERATION OF THE PROPERTY

8.1 Leases. During the time period between the Effective Date and the earlier of the Closing or the termination of this Agreement, Seller shall not enter into any new lease agreements affecting the Property, and/or renewals or extensions of the existing Leases. Buyer shall terminate the Universal Lease and the Pennettas Lease as of the Closing Date.

8.2 General Operation of the Property. Until the earlier of Closing or the termination of this Agreement, Seller agrees:

(A) Not to make any material alterations to the Property except as set forth in this Agreement or as necessary in Seller's sole discretion to address (i) life or safety issues at the Property, or (ii) any other matter which in Seller's reasonable discretion materially affects the use, operation or value of the Property.

(B) To not transfer or encumber any of Seller's interest in any of the Property.

(C) To not do anything which would impair the status of title as shown on the Title Commitment or the Survey.

(D) To advise Buyer of any actual or threatened litigation, condemnation, or governmental proceeding affecting the Property.

(E) To promptly forward to Buyer copies of any notices received from or sent to any governmental authority or any Tenant.

8.3 Contracts. Seller shall terminate all Contracts on or before the Closing Date at Seller's expense, except that Seller may assign to Universal any Contracts necessary for operation of Universal's business operations. Buyer shall have no obligation or liability with respect to any Contracts, and Seller shall indemnify, hold harmless and, if requested by Buyer in Buyer's sole discretion, defend (with counsel approved by Buyer) Buyer from and against any and all damages, liabilities, losses, demands, actions, causes of action, claims, costs and expenses (including reasonable attorneys' fees) arising from or related to the Contracts.

8.4 Personal Property. Seller shall remove all Personal Property owned by Seller from the Property prior to Closing except for Personal Property owned by Seller that is used by Universal in Universal's normal business operations, which Universal must remove from the Property upon termination of Universal's New Lease if specified in Universal's New Lease.

ARTICLE 9 - CLOSING CONDITIONS

9.1 Buyer's Closing Conditions. Buyer's obligation to close under this Agreement shall be subject to and conditioned upon the fulfillment of each and all of the following conditions precedent (collectively, "**Buyer's Closing Conditions**"):

(A) All of the documents required to be delivered by Seller to Buyer or Title Company at the Closing pursuant to the terms and conditions of this Agreement shall have been delivered.

(B) Universal's New Lease in the form attached hereto as Exhibit D shall have been executed by Universal and delivered to Title Company.

(C) Pennettas' New Lease, in the form agreed to by Pennettas' and Buyer prior to the Closing shall have been executed by Pennettas' and delivered to Title Company.

(D) Each of Seller's Representations shall be true in all material respects as of the Closing Date.

(E) Seller shall have complied with, fulfilled and performed in all material respects each of the covenants, terms and conditions to be complied with, fulfilled or performed by Seller hereunder.

(F) Title Company shall be prepared and irrevocably committed to issue the Title Policy to Buyer (with an effective date as of the Closing).

(G) Seller shall not be a debtor in any bankruptcy proceeding nor shall have been in the last six (6) months a debtor in any bankruptcy proceeding.

(H) No other event shall have occurred which would give Buyer the right to terminate this Agreement as provided elsewhere herein.

Buyer assumes full responsibility to obtain the funds required for settlement, and Buyer's acquisition of such funds shall *not* be a contingency to the Closing. Notwithstanding anything in this Agreement to the contrary, there are no other conditions on Buyer's obligation to close under this Agreement except as expressly set forth in this Section 9.1.

9.2 Failure of Buyer's Closing Conditions. If any of Buyer's Closing Conditions are not met, Buyer may either (A) waive Buyer's Closing Conditions and proceed to Closing on the Closing Date with no offset or deduction from the Purchase Price; or (B) terminate this Agreement, and, if such failure constitutes a default by Seller, exercise any of its remedies pursuant to Section 11.2 below.

9.3 Seller's Closing Conditions. Without limiting any of the rights of Seller elsewhere provided for in this Agreement, Seller's obligation to close with respect to conveyance of the Property under this Agreement shall be subject to and conditioned upon the fulfillment of each and all of the following conditions precedent (collectively, "**Seller's Closing Conditions**"):

(A) All of the documents required to be delivered by Buyer to Seller or Title Company at the Closing pursuant to the terms and conditions of this Agreement shall have been delivered.

(B) Universal's New Lease in the form of Exhibit D shall have been executed by Buyer and delivered to Title Company.

(C) Each of Buyer's Representations shall be true in all material respects as of the Closing Date.

(D) Buyer shall have complied with, fulfilled and performed in all material respects each of the covenants, terms and conditions to be complied with, fulfilled or performed by Buyer hereunder.

(E) Buyer shall not be a debtor in any bankruptcy proceeding nor shall have been in the last six (6) months a debtor in any bankruptcy proceeding.

9.4 Failure of Seller's Closing Conditions. If any of Seller's Closing Conditions are not met, Seller may either (A) waive Seller's Closing Conditions and proceed to Closing on the Closing Date with no change to the Purchase Price; or (B) terminate this Agreement, and, if such failure constitutes a default by Buyer, exercise any of Seller's remedies pursuant to Section 11.1 below.

ARTICLE 10 - CLOSING

10.1 Closing. The Closing shall take place on the Closing Date at the offices of Title Company (unless otherwise agreed to by the parties) through an escrow with Title Company. Buyer and Seller need not be physically present at the Closing.

10.2 Seller Closing Deliverables. On or before the Closing Date, Seller shall deliver to Title Company each of the following items:

(A) One (1) original of the Special Warranty Deed (the "**Deed**"), substantially in the form attached to this Agreement as Exhibit B, duly executed and acknowledged by Seller;

(B) A certification of Seller's non-foreign status pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended ("FIRPTA Certificate"), duly executed by Seller;

(C) A closing statement executed by Seller;

(D) Resolutions, certificates of good standing and such other organizational documents as Title Company may reasonably require evidencing Seller's authority to consummate the Closing; and

(E) Such other documents as Title Company may reasonably require from Seller in order to consummate the purchase and sale of the Property and to issue the Title Policy.

10.3 Buyer Closing Deliverables. On or before the Closing Date, Buyer shall deliver to Title Company each of the following items:

(A) The Purchase Price, plus or minus the adjustments or prorations required by this Agreement;

(B) The New Leases executed by Buyer;

(C) A real property declaration or other statement which may be required to be submitted to the local assessor with respect to the terms of the sale of the Property;

(D) A closing statement executed by Buyer; and

(E) Such other documents as Title Company may reasonably require from Buyer in order to consummate the purchase and sale of the Property and to issue the Title Policy to Buyer.

10.4 Closing Costs and Prorations.

(A) General. Except as set forth in this Section 10.4, all normal and customarily proratable items shall be prorated as of the Closing Date, with Seller being charged or credited, as appropriate, for all of the same attributable to the period up to the Closing Date (and credited for any amounts paid by Seller attributable to the period on or after the Closing Date, if assumed by Buyer) and Buyer being responsible for, and credited or charged, as appropriate, for all of the same attributable to the period on and after the Closing Date. Seller shall prepare, or shall cause Title Company to prepare, a proration schedule (the "Proration Schedule") of the adjustments described in this Section 10.4 prior to Closing. Such adjustments shall be paid by Buyer to Seller (if the prorations result in a net credit to Seller) or by Seller to Buyer (if the prorations result in a net credit to Buyer), by increasing or reducing the cash to be paid by Buyer at Closing. Except as otherwise provided below, all prorations shall be final at Closing.

(B) Operating Expenses. All of the operating, maintenance, taxes (other than real estate taxes, such as rental taxes) and other expenses incurred in operating the Property that Seller or its tenants customarily pay, and any other costs incurred in the ordinary course of business for the management and operation of the Property ("Operating Expenses"), shall be prorated on an accrual basis. Seller shall pay all such expenses that accrue prior to Closing and Buyer shall pay all such expenses that accrue from and after the Closing Date. Notwithstanding the foregoing, any Operating Expense that is, and will continue to be, in the name of, billed to, and paid by a Tenant pursuant to a Lease and a New Lease will not be prorated. Seller shall indemnify and hold Buyer harmless from and against any and all charges for Operating Expenses incurred prior to the Closing Date. This indemnity shall survive Closing and delivery of the Deed to Buyer.

(C) Utilities. The final readings and final billings for utilities will be made, if possible, as of the Closing Date, in which case Seller shall pay all such bills as of the Closing Date and no proration shall be made at the Closing with respect to utility bills. Otherwise, a proration shall be made based upon the parties' reasonable good faith estimate. Seller shall be

entitled to the return of any deposit(s) posted by it with any utility company, and Seller shall notify each utility company of the transfer of the Property. Notwithstanding the foregoing, any utility service that is, and will continue to be, in the name of, billed to, and paid by a Tenant pursuant to a Lease and a New Lease will not be prorated. Seller shall indemnify and hold Buyer harmless from and against any and all charges for utility services prior to the Closing Date. This indemnity shall survive Closing and delivery of the Deed to Buyer.

(D) Real Estate Taxes. All real estate ad valorem or similar taxes and assessments for the Property for the year of Closing shall be prorated to the date of Closing, based upon actual days involved. The proration of real property taxes or installments of assessments shall be based upon the most recent mill levy and most recent assessed valuation available as of the Closing Date. The proration of real property taxes or installments of assessments shall be final and not subject to re-adjustment after Closing.

(E) Closing Costs. Buyer shall pay any transfer, sales, use, gross receipts or similar taxes, the cost of recording the Deed (including, without limitation, any documentary fees), any premiums or fees required to be paid by Buyer with respect to the Title Policy pursuant to Section 5, and one-half (½) of the customary closing costs of Title Company. Seller shall pay any premiums or fees required to be paid by Seller with respect to the Title Policy pursuant to Section 5, and one-half (½) of the customary closing costs of Title Company. Seller shall pay recording fees to release any deeds of trust or other security instruments.

(F) Insurance. No proration shall be made in relation to insurance premiums and insurance policies will not be assigned to Buyer.

(G) Attorneys' Fees. Each party shall bear and pay its own respective attorneys' fees and all other costs not herein enumerated which are incurred by such party with respect to this transaction.

(H) Possession. Possession of the Property, subject to the New Leases and Permitted Exceptions, shall be delivered to Buyer at the Closing upon release from escrow of all items to be delivered by Buyer pursuant to Section 10.3, including, without limitation, the Purchase Price. Keys to the Property shall be made available to Buyer promptly after the Closing.

(I) Survival. The provisions of this Section 10.4 shall survive the Closing and delivery of the Deed to Buyer.

ARTICLE 11 - DEFAULTS AND REMEDIES

11.1 Buyer Default; Seller's Remedies. If Buyer defaults in the performance of any of its obligations hereunder and such default is not cured within five (5) Business Days of receipt of written notice from Seller, then Seller may elect to terminate this Agreement, in which case both parties shall, except as may otherwise be provided herein, be released from all obligations hereunder. In the alternative, Seller may pursue any remedy available to it at law or in equity.

11.2 Seller Default; Buyer's Remedies. Except as set forth in Sections 7.4 and 7.5, if Seller defaults in the performance of any of its obligations hereunder and such default is not

cured within five (5) Business Days of receipt of written notice from Buyer, Buyer may elect (A) to pursue specific performance; or (B) to treat this Agreement as terminated, in which case Buyer shall be entitled to recover from Seller its reasonable out of pocket third party costs incurred in connection with its review and negotiation of this Agreement and its due diligence investigation and potential acquisition of the Property, including, but not limited to, amounts paid to third party vendors, amounts incurred with Buyer's lender, and reasonable attorneys' fees and costs, with such reimbursable costs not to exceed fifty thousand and 00/100 dollars ($50,000.00) in the aggregate, with such reimbursable costs to be evidenced by invoices, receipts, or other appropriate documentation. In the event Buyer elects to pursue specific performance, Buyer shall initiate its action for specific performance no later than sixty (60) days following Seller's default and failure to consummate this Agreement, and in the event that Buyer does not initiate an action for specific performance within such time frame, Buyer shall have waived its right to pursue specific performance. Except as otherwise expressly provided in this Agreement, Buyer hereby waives all right to recover damages from Seller.

11.3 Attorneys' Fees. Notwithstanding anything in this Agreement to the contrary, in the event of any litigation or other legal proceeding between the parties arising out of this Agreement (including appeals), the court shall award to the prevailing party in such action all reasonable costs and expenses of suit including, without limitation, reasonable attorneys' fees, expert witness fees and costs incurred.

ARTICLE 12 - CONDEMNATION AND CASUALTY

12.1 Condemnation. If all or any part of the Property or any sole or legally required means of ingress and/or egress to or from the Property is condemned or taken by eminent domain, or such condemnation or taking is threatened by any governmental authority, in either case after the Effective Date and before the Closing Date, Buyer may, at its option and as its sole remedy, either (A) terminate this Agreement by providing written notice thereof to Seller by the date that is ten (10) days after Seller notifies Buyer of the actual or threatened condemnation or taking and, if necessary, the Closing shall be extended to afford Buyer the entire 10-day period); or (B) proceed to Closing pursuant to the terms of this Agreement. If the Buyer fails to timely deliver written notice to terminate as described in clause (A) above, then Buyer shall be deemed to have elected to proceed to Closing. If Buyer elects or is deemed to have elected to proceed to Closing, then, upon Closing, there shall be a credit against the Purchase Price due hereunder equal to the amount of any condemnation or eminent domain awards collected by Seller as a result of any such condemnation or eminent domain. If the award has not been collected as of the Closing, then such award shall be assigned to Buyer. It is expressly agreed between the parties hereto that this Section shall in no way apply to customary dedications for public purposes which may be necessary for the development of the Property. Seller shall not settle any condemnation matter without Buyer's prior written consent, which consent may be withheld in Buyer's sole discretion.

12.2 Casualty. If the Property shall be damaged or destroyed by fire or other casualty after the Effective Date and before the Closing Date, Buyer may, at its option, and as its sole remedy, either: (A) terminate this Agreement by delivering written notice of termination to Seller within ten (10) days after Seller notifies Buyer of the casualty, or the Closing Date, whichever occurs first; or (B) proceed to Closing pursuant to the terms of the Agreement, in which event

Seller shall deliver to Buyer, at Closing, any insurance proceeds actually received by Seller attributable to the Property from such casualty, and/or assign to Buyer all of Seller's right and interest in any claim under any applicable insurance policies in respect of such casualty applicable to such loss under the insurance policy(ies), in which event there shall be a reduction in the Purchase Price in an amount equal to Seller's deductible under its insurance policy applicable to such casualty. In the event Buyer fails to timely deliver written notice to terminate as described in clause (A) above, Buyer shall be deemed to have elected to proceed to Closing. Following Closing, Seller shall cooperate with Buyer and shall take all action reasonably necessary to resolve any insurance claims related to the casualty. The terms of this Section 12.2 shall survive Closing.

ARTICLE 13 - GENERAL PROVISIONS

13.1 Brokers. Seller represents and warrants to Buyer that Seller has not dealt with any broker in connection with this Agreement and that no broker working with Seller is entitled to a commission in connection with this Agreement. Buyer represents and warrants to Seller that Buyer has not dealt with any broker in connection with the Agreement and that no broker working with Buyer is entitled to a commission in connection with this Agreement. The provisions of this Section 13.1 shall survive the termination of this Agreement, and if not so terminated, the Closing and delivery of the Deed to Buyer.

13.2 Governing Law; Venue. This Agreement and the legal relations between the parties hereto shall be governed by and construed and enforced in accordance with the laws of the state of Colorado, without regard to its principles of conflicts of law. All claims, disputes and other matters in question arising out of or relating to this Agreement, or the breach thereof, shall be decided by proceedings instituted and litigated in a court of competent jurisdiction in the state of Colorado, and the parties hereto expressly consent to the venue and jurisdiction of such court.

13.3 Exhibits and Schedules. All exhibits and schedules attached hereto are hereby incorporated by reference as though set out in full herein.

13.4 Entire Agreement. This Agreement, including the exhibits and schedules attached hereto, constitutes the entire agreement between Buyer and Seller pertaining to the subject matter hereof and supersedes all prior agreements, understandings, letters of intent, negotiations and discussions, whether oral or written, of the parties, and there are no warranties, representations or other agreements, express or implied, made to any party by any other party in connection with the subject matter hereof except as specifically set forth herein or in the documents delivered pursuant hereto or in connection herewith.

13.5 Binding Effect. Subject to Section 13.6 below, this Agreement shall be binding upon and inure to the benefit of Seller and Buyer, and their respective successors, heirs and permitted assigns.

13.6 Assignability. This Agreement is not assignable by Buyer without first obtaining the prior written approval of Seller. Except as otherwise set forth herein, Buyer may not assign

its interest in this Agreement without the consent of Seller, which consent may be withheld in Seller's reasonable discretion.

13.7 Amendments in Writing. This Agreement shall not be amended, altered, changed, modified, supplemented or rescinded in any manner except by a written agreement executed by all of the parties.

13.8 Waiver. No delay or omission to exercise any right or power accruing upon any default, omission or failure of performance hereunder shall impair any right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. No waiver, amendment, release, or modification of this Agreement shall be established by conduct, custom or course of dealing and all waivers must be in writing and signed by the waiving party.

13.9 Expenses. Except as expressly set forth in this Agreement, whether or not the transactions contemplated by this Agreement shall be consummated, all fees and expenses incurred by any party hereto in connection with this Agreement shall be borne by such party.

13.10 Further Assurances. In addition to the actions recited herein and contemplated to be performed, executed, and/or delivered by Seller and Buyer, Seller and Buyer agree to perform, execute and/or deliver or cause to be performed, executed and/or delivered at or after the Closing any and all such further acts, instruments, deeds and assurances as may be reasonably required to consummate the transactions contemplated hereby.

13.11 Severability. In the event that any part of this Agreement shall be held to be invalid or unenforceable by a court of competent jurisdiction, such provision shall be reformed and enforced to the maximum extent permitted by law. If such provision cannot be reformed, it shall be severed from this Agreement and the remaining portions of this Agreement shall be valid and enforceable.

13.12 Construction. This Agreement shall not be construed more strictly against one party hereto than against any other party hereto merely by virtue of the fact that it may have been prepared by counsel for one of the parties.

13.13 Captions; Headings. The captions, headings and arrangements used in this Agreement are for convenience only and do not in any way affect, limit, amplify or modify the terms and provisions hereof.

13.14 Number And Gender Of Words. Whenever herein the singular number is used, the same shall include the plural where appropriate, and words of any gender shall include each other gender where appropriate.

13.15 Time Of The Essence. It is expressly agreed by the parties hereto that time is of the essence with respect to all matters contemplated by this Agreement.

13.16 Business Days; Time Period. As used herein, the term "**Business Day**" shall mean a day that is not a Saturday, Sunday or legal holiday in the state where the Property is located. In computing any period of time under this Agreement, the date of the act or event from

which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is not a Business Day, in which event the date for performance thereof shall be extended to the next Business Day.

13.17 No Recording. Buyer shall not cause or allow this Agreement or any contract or other document related hereto, nor any memorandum or other evidence hereof, to be recorded or become a public record without Seller's prior written consent, which consent may be withheld at Seller's sole discretion. If Buyer records this Agreement or any other memorandum or evidence thereof, Buyer shall be in default of its obligations under this Agreement.

13.18 Relationship of Parties. Buyer and Seller acknowledge and agree that the relationship established between the parties pursuant to this Agreement is only that of a seller and a purchaser of property. Neither Buyer nor Seller is, nor shall either hold itself out to be, the agent, employee, joint venturer or partner of the other party.

13.19 Counterparts; Electronic Signatures. This Agreement may be executed in a number of identical counterparts. Electronic signatures (*i.e.*, signatures delivered via email or facsimile) shall be treated as if they were original signatures.

13.20 1031 Exchange. Seller may request to consummate the sale of the Property as part of a tax-deferred exchange (the "**Exchange**") pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended, provided that: (A) all costs, fees, and expenses attendant to the Exchange shall be the sole responsibility of the requesting party; (B) the Closing shall not be delayed or affected by reason of the Exchange, nor shall the consummation or accomplishment of the Exchange be a condition precedent or condition subsequent to the Seller's obligations and covenants under this Agreement; and (C) the Buyer shall not be required to incur any cost or liability or to acquire or hold title to any real property other than the Property for purposes of consummating the Exchange. The Seller agrees to defend, indemnify, and hold the Buyer harmless from any liability, damages, or costs, including without limitation reasonable attorneys' fees, that may result from Buyer's acquiescence to the Exchange. The Buyer shall not by this Agreement or acquiescence to the Exchange (i) have its rights under this Agreement, including those that survive Closing, affected or diminished in any manner, or (ii) be responsible for compliance with or be deemed to have warranted to the other party that the Exchange in fact complies with Section 1031 of the Internal Revenue Code or any other law or regulation. The Buyer consents to the Seller assigning this Agreement to its exchange facilitator provided that (a) the exchange facilitator strictly complies with the requirements of this Section and the other provisions of this Agreement; and (b) the Seller shall remain liable to the non-requesting party to fulfill all obligations of the Seller under this Agreement after such assignment.

13.21 Survival. Except for (A) the provisions of ARTICLE 11 and ARTICLE 13; (B) any provision of this Agreement which expressly states that it shall so survive; and (C) any indemnity obligation of Buyer or Seller under this Agreement (the foregoing (A), (B), and (C) referred to herein collectively as the "**Survival Provisions**"), none of the terms and provisions of this Agreement shall survive the termination of this Agreement, and, if the Agreement is not so terminated, all of the terms and provisions of this Agreement (other than the Survival Provisions) shall be merged into the Closing documents and shall not survive the Closing.

13.22 Notices. All notices, consents, demands, requests and other communications required or permitted hereunder ("**Notices**") shall be in writing, and shall be (A) personally delivered with a written receipt of delivery; (B) sent by a nationally recognized overnight delivery service requiring a written acknowledgement of receipt or providing a certification of delivery or attempted delivery; (C) sent by certified or registered mail, return receipt requested; or (D) sent by e-mail. All Notices shall be deemed effective when actually delivered as documented in a delivery receipt; provided, however, that if the Notice was sent by overnight courier or by certified or registered mail and is affirmatively refused or cannot be delivered during customary business hours by reason of the absence of a signatory to acknowledge receipt, or by reason of a change of address with respect to which the sender did not have either knowledge or written notice delivered in accordance with this Section, then the first attempted delivery shall be deemed to constitute delivery; and further provided that Notices given by e-mail shall be deemed given when sent, except that email notice given after 6:00 p.m. (MT) on a Business Day or delivered on a non-Business Day shall be deemed to be delivered on the next Business Day. Each party shall be entitled to change its address for Notices from time to time by delivering to the other party Notice thereof in the manner herein provided for the delivery of Notices. Telephone numbers are provided for convenience only, and oral communications shall not constitute valid notice hereunder, except where expressly indicated otherwise. All Notices shall be sent to the addressee at its address set forth following its name below:

If to Seller:	Aidan, Inc. 7289 Spring Drive Boulder, CO 80303 Attn: Lee Dizaji Phone: Email: universalgasandfoodmart@gmail.com
with copies to (which copies shall not constitute notice):	Foster Graham Milstein & Calisher, LLP 360 S. Garfield Street, Suite 600 Denver, CO 80209 Attn: David J. Moses Phone: (303) 962-7114 E-Mail: dmoses@fostergraham.com
If to Buyer:	Arvada Urban Renewal Authority 5601 Olde Wadsworth Blvd., Suite 210 Arvada, CO 80002 Attn: Maureen Phair Phone: 720-898-7062 Email: mphail@arvada.org

with copies to (which copies shall not constitute notice):	Burns, Figa & Will, P.C. 6400 S. Fiddlers Green Circle, Ste. 1000 Greenwood Village, CO 80111 Attn: Scott Clark Phone: 303-796-2626 E-Mail: sclark@bfwlaw.com

13.23 No Option; Binding Effect. The submission of this document for examination and review does not constitute an option to purchase the Property, an offer to sell the Property or an agreement to purchase and sell. This document shall have no binding effect on the parties unless and until executed by both Seller and Buyer.

13.24 Title Company Instructions. Buyer and Seller agree to execute reasonable instructions as may be required by the Title Company; provided, however, that neither the instructions nor the acts or actions of the parties in executing the instructions required by Title Company shall supersede or be construed as superseding this Agreement, and such instructions shall be deemed as merely supplemental to this Agreement and a means of carrying out and consummating this Agreement. In the event of a conflict between the terms of instructions required by Title Company and this Agreement, the terms of this Agreement shall control. Additionally, Seller and Buyer may execute and deliver to Title Company any additional or supplementary instructions (so-called "escrow instructions" or "closing instructions") as they may deem necessary or convenient to implement the terms of this Agreement and close the transactions contemplated hereby; provided such instructions are consistent with and merely supplement this Agreement and shall not in any way modify, amend or supersede this Agreement.

13.25 Special Districts. The following disclosure is included in accordance with Section 38-35.7-101, C.R.S.: SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. BUYERS SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS LOCATED BY CONTACTING THE COUNTY TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE PROPERTY, AND BY OBTAINING FURTHER INFORMATION FROM THE BOARD OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND RECORDER, OR THE COUNTY ASSESSOR.

IN WITNESS WHEREOF, Seller and Buyer have executed this Agreement on the date set forth below their respective signatures.

[SIGNATURE PAGE(S) TO FOLLOW]

SELLER:

AIDAN, INC.
a Colorado corporation

By:_____
Name: Khalil Dizaji, President

Date:_____

BUYER:

ARVADA URBAN RENEWAL AUTHORITY

By:_____
Name: Maureen Phair, Executive Director

Date:_____

EXHIBIT A

LEGAL DESCRIPTION

A PARCEL OF LAND LYING IN THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 3 SOUTH, RANGE 69 WEST OF THE 6TH PRINCIPAL MERIDIAN, AND BEING A PORTION OF BLOCK 5, ARVADA SQUARE, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 60.5 FEET NORTH AND 30 FEET WEST OF THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10, TOWNSHIP 3 SOUTH, RANGE 69 WEST, THENCE WEST PARALLEL TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10 A DISTANCE OF 175 FEET TO A POINT; THENCE NORTH PARALLEL TO THE EAST LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER SAID SECTION 10 A DISTANCE OF 175 FEET TO A POINT; THENCE EAST PARALLEL TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10 A DISTANCE OF 175 FEET TO A POINT; THENCE SOUTH PARALLEL TO THE EAST LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10 A DISTANCE OF 175 FEET TO THE POINT OF BEGINNING;

COUNTY OF JEFFERSON, STATE. OF COLORADO.

EXHIBIT B

FORM OF THE DEED

AFTER RECORDING RETURN TO:

_____

_____

_____

ATTN: _____

SPECIAL WARRANTY DEED

THIS DEED, made this [____] day of [_____], 201[__], is between [_____], a [_____] ("**Grantor**"), and [_____], a [_____] ("**Grantee**"), whose street address is [_____].

WITNESSETH, that the Grantor, for and in consideration of Ten and 00/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell, convey and confirm, unto the Grantee, its successors and assigns forever, the real property (the "**Property**"), together with improvements, if any, situate, lying and being in the County of [_____], State of Colorado, as more particularly described as follows:

See **Exhibit A**, attached hereto and incorporated herein by this reference;

also known by street and number as: [_____]

TOGETHER WITH all and singular the hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof, and any and all easements or right to use easements relating to the Property and all the estate, right, title, interest, claim, and demand whatsoever of Grantor, either in law or equity, of, in, and to the above bargained Property, with the hereditaments and appurtenances;

TO HAVE AND TO HOLD the Property above bargained and described with the appurtenances, unto the Grantee, its successors and assigns forever. The Grantor, for itself, and its successors and assigns, does covenant, and agree that it shall and will WARRANT AND FOREVER DEFEND the above-bargained Property in the quiet and peaceable possession of Grantee, its successors and assigns, against all and every person or persons claiming the whole or any part thereof, by, through or under Grantor, except and subject to the matters set forth on **Exhibit B**, attached hereto and incorporated herein by this reference.

[signature page follows]

IN WITNESS WHEREOF, the Grantor has caused its name to be hereunto subscribed on the day and year first above written.

GRANTOR:

[_____],
a [_____]

By: [EXHIBIT – DO NOT SIGN]

Name:_____

Title:_____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this [____] day of [_____], 201[__], by [_____], as the [_____] of [_____], a [_____].

Witness my hand and official seal.

My commission expires: _____

_____
Notary Public

Exhibit A to Special Warranty Deed
(Legal Description)

A PARCEL OF LAND LYING IN THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 3 SOUTH, RANGE 69 WEST OF THE 6TH PRINCIPAL MERIDIAN, AND BEING A PORTION OF BLOCK 5, ARVADA SQUARE, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 60.5 FEET NORTH AND 30 FEET WEST OF THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10, TOWNSHIP 3 SOUTH, RANGE 69 WEST, THENCE WEST PARALLEL TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10 A DISTANCE OF 175 FEET TO A POINT; THENCE NORTH PARALLEL TO THE EAST LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER SAID SECTION 10 A DISTANCE OF 175 FEET TO A POINT; THENCE EAST PARALLEL TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10 A DISTANCE OF 175 FEET TO A POINT; THENCE SOUTH PARALLEL TO THE EAST LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10 A DISTANCE OF 175 FEET TO THE POINT OF BEGINNING;

COUNTY OF JEFFERSON, STATE. OF COLORADO.

Exhibit B to Special Warranty Deed
(Permitted Exceptions)

(A) All matters recorded in the real estate records of the county clerk and recorder for Jefferson County, Colorado;

(B) Taxes and assessments for 2020 and subsequent years, a lien not yet due or payable; and

(C) All matters that are disclosed or that would have been disclosed by an improvement survey plat (as defined in Section 38-51-102(9), C.R.S.) of the Property or could have been ascertained by an inspection of the Property.

EXHIBIT C

COMMITMENT OF TITLE INSURANCE

EXHIBIT D

UNIVERSAL LEASE

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is made effective this __th day of March, 2020, by and between Arvada Urban Renewal Authority, a Colorado Urban Renewal Authority constituted pursuant to C.R.S. § 31-25-104, having an address at 5601 Olde Wadsworth Boulevard, Suite 210, Arvada, CO 80002, hereinafter referred to as "Landlord," and Universal Gas and Food Mart Corporation, a Colorado Corporation, having an address at 9205 W. 58th Ave., Arvada, CO 80002, hereinafter referred to as "Tenant."

RECITALS

A. Landlord is the owner of real property and improvements located at 9205 West 58th Avenue, Arvada, Colorado 80002, more particularly described on **Exhibit A** attached hereto and incorporated herein by this reference (the "Property").

B. Landlord wishes to lease to Tenant, and Tenant wishes to lease from Landlord, a gas station and convenience store located on the Property designated as the "Leased Premises," which have been and are occupied by Tenant prior to and on the date of this Lease together with those improvements located at the Leased Premises.

WITNESSETH:

That in consideration of the rents, covenants and conditions herein set forth, Landlord and Tenant covenant, promise and agree as follows:

1. Lease of Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, for the Term and subject to the terms and conditions hereof, the Leased Premises described above, situated on and comprising a portion of the Property, to have and to hold the same together with all other improvements therein and thereon belonging or pertaining to said Leased Premises, including all rights, privileges, easements and appurtenances belonging or pertaining thereto. Tenant shall obtain no rights in the Property other than as specifically set forth in this Lease.

2. Term.

2.1 Term. The term of the Lease ("Term") shall be for a period of three months commencing on April 1, 2020 ("Commencement Date") and continuing through 11:59 p.m. on June 30, 2020 ("Expiration Date"), unless sooner terminated as provided herein. Upon or before the Expiration Date, Tenant shall vacate the Leased Premises peacefully. From June 1, 2020, until June 30, 2020 ("Move-Out Period"), Tenant may occupy the Leased Premises but may not conduct business operations. During the Move-Out Period, Tenant shall remove all USTs from the Leased Premises, as provided in Section 11.2 below.

2.2 Nonrenewal. Tenant shall not have the right to renew this Lease.

3. Rent. Tenant shall pay to Landlord a monthly rent for the Leased Premises ("Rent") in the amount of $5,000 per month for April and May 2020, which shall be payable in

advance on the first day of each month commencing on the Commencement Date. Tenant is not required to pay rent for the period from June 1, 2020 to June 30, 2020. Rent shall be payable without notice, demand, or setoff of any kind at Landlord's address or to such other address as Landlord may designate in writing from time to time.

4. Use of Leased Premises.

4.1 Use. Tenant shall use the Leased Premises only for operating a convenience store and gas station and other services directly associated with such operations, and for no other purpose without the prior written consent of Landlord. Tenant will not allow its employees, customers, visitors, licensees, agents or invitees to: (i) do or permit to be done in or about the Leased Premises, nor bring to, keep or permit to be brought or kept in or on the Leased Premises, anything that is prohibited by or will in any way conflict with any law, statute, ordinance or governmental rule or regulation which is now in force or which may be enacted or promulgated after the Commencement Date; (ii) do or permit anything to be done in or about the Leased Premises which will in any way obstruct or interfere with the rights of other tenants on the Property or adjoining landowners, or inconvenience, injure, damage or annoy any of them, including, but not limited to, excess noise, vibration or odors or any other acts which may disturb Landlord or adjoining landowners; (iii) use or allow the Leased Premises to be used for any immoral, improper or objectionable purpose; (iv) cause, maintain or permit any nuisance in, on or about the Leased Premises; or (v) permit any act or thing to occur which may cause damage or waste to the Leased Premises or the Property. Tenant shall, at its own risk and expense, obtain and keep in force all governmental licenses and permits necessary for such use.

4.2 Storage of Materials, Equipment, and Products. Tenant understands and acknowledges that Landlord will be entitled to permit another tenant to store materials, equipment, and products in the gated area and the trash enclosure area on the Property.

5. Quiet Enjoyment. Landlord represents that it has full right and power to execute this Lease and to grant the estate demised herein and subject to other provisions of this Lease, Landlord covenants with Tenant that so long as Tenant pays all Rent herein reserved, and performs and observes all of the terms, conditions and covenants herein contained, Tenant shall peaceably and quietly enjoy the Leased Premises during the Term of this Lease.

6. Utilities; Trash Removal; Security System.

6.1 Utilities. Tenant shall maintain in its name, and pay for, all utilities to the Leased Premises during the Term of this Lease comprising water, electrical, gas, trash removal and security system. Landlord shall not be liable, in damages or otherwise, for any discontinuance, failure or interruption of utility service to the Leased Premises. No such discontinuance, failure or interruption shall be deemed a constructive eviction of Tenant or entitle Tenant to terminate this Lease. The provisions of this Section 6.1 shall survive termination of this Lease.

6.2 Trash Removal. During the Term of this Lease, Tenant shall be entitled to utilize the trash dumpster located at the northwest corner of the Leased Premises; provided, however, that Tenant's entitlement to use the trash dumpster is expressly limited to waste that

may be deposited as solid waste disposal pursuant to laws, rules and regulations of any applicable governing agency, and that any disposal of tires, Hazardous Materials (defined below), solvents or other products or byproducts governed by or regulated in any manner under the environmental, health and safety laws described in, and in accordance with the terms of, Article 11 of this Lease is strictly prohibited.

6.3 Security System. During the Term of this Lease, Tenant shall be entitled to use the security system located at the Property.

7. Taxes.

7.1 Payment of Personal Property, Franchise, Business and Similar Taxes. Tenant shall pay before delinquency any and all taxes (whether franchise, business or otherwise), assessments, license fees and public charges levied, assessed or imposed upon Tenant's business conducted on the Leased Premises or upon Tenant's fixtures, furniture, appliances and personal property installed or located in or on the Leased Premises, which arise from Tenant's use or occupancy of the Leased Premises during the Term.

7.2 Real Estate Taxes. Landlord shall pay or cause to be paid all taxes which may be levied or assessed by any lawful authority against the land and buildings comprising the Leased Premises.

8. Insurance.

8.1 Tenant Insurance. Tenant covenants and agrees that it shall at all times during the Term of this Lease carry and maintain in full force and effect, at Tenant's sole expense, insurance against perils customarily included within all-risk and fire and extended coverage on Tenant's leasehold improvements, fixtures, trade fixtures, equipment, inventory, merchandise and other personal property, and Tenant's and its customers' automobiles and personal property, which is from time to time situated on or about the Leased Premises or the Property, in an amount equal to the full replacement value of those items at the time of loss. Tenant shall also carry and maintain, at Tenant's sole expense, commercial general liability and property damage insurance with a combined single limit of not less than $2,000,000 with respect to any one occurrence on or about the Property, and $2,000,000 in the aggregate as to any occurrences, with respect to the business conducted by Tenant on the Leased Premises. The liability coverage shall name Landlord as an additional insured. Tenant shall also carry and maintain, at Tenant's sole expense, a policy of glass breakage insurance with coverage in a sum equal to the replacement value of any and all glass windows on the Leased Premises. Tenant shall also carry and maintain, at Tenant's sole expense, workers' compensation insurance in such amounts and types as required by applicable laws and regulations governing Tenant's business operations.

8.2 Landlord Insurance. Intentionally omitted.

8.3 Insurance Provisions. All policies required to be maintained by the parties by this Lease shall be written and underwritten by solvent and responsible insurance companies which are licensed to do business in the State of Colorado and have a Best rating of A-XII or

better. Within 10 days after the Commencement Date and from time to time thereafter upon request by Landlord, Tenant shall deliver to Landlord certificates of insurance evidencing the insurance required to be carried by Tenant under this Lease.

8.4 Tenant's Failure to Obtain. If Tenant fails either to acquire the insurance required pursuant to this Article 8 or to pay the premiums for such insurance or deliver the required policies or certificates, then Landlord (in addition to other rights and remedies available to Landlord at law, in equity or under the default provisions of this Lease) shall have the right (in its sole election), but not the obligation, to acquire such insurance and pay the requisite premiums therefor. If Landlord elects to acquire such insurance on behalf of Tenant, such premiums will be reimbursable and payable by Tenant to Landlord, as additional rent, immediately upon written demand therefor made to Tenant by Landlord, plus 18% interest per annum or the maximum amount allowed by law, whichever is lower, if not paid within 10 days after notice.

8.5 Waiver of Subrogation. The parties hereto release each other, and their respective authorized representatives, from any claims for damage to any person or to the Leased Premises and other improvements located in the Leased Premises, and to the fixtures, personal property, improvements and alterations of either Landlord or Tenant in or upon the Leased Premises, that are caused by or result from risks insured against under any insurance policies carried by the parties and in force at the time of any such damage. Each party shall cause each insurance policy obtained by it to provide that the insurance company waives in writing all right of recovery by way of subrogation against either party in connection with any damage covered by any policy. Neither party shall be liable to the other for any damage caused by fire or any of the risks insured against under any insurance policy required by this Lease.

9. Alterations and Fixtures.

9.1 Tenant Alterations. Tenant shall not make or permit any alterations, additions or improvements to the Leased Premises.

9.2 [Reserved.]

9.3 Removal of Trade Fixtures. Tenant shall, at or prior to the termination or expiration of this Lease, remove all trade fixtures, furniture, personal property and equipment owned or leased by Tenant and located on or customarily used in connection with the operation of Tenant's business on the Leased Premises ("Tenant's Personal Property"). Except with respect to any USTs, any fuel contained therein, and any hydraulic lifts, all of which are subject to Section 11, below, as its sole remedy for Tenant's failure to remove any of Tenant's Personal Property prior to the termination or expiration of the Lease, such unremoved Tenant's Personal Property, if any, shall be deemed the property of Landlord, without payment therefor. Landlord acknowledges that tenant is not removing any signage from the Property.

9.4 Mechanics' and Materialmen's Liens. Tenant shall, at all times, keep the Leased Premises and all improvements in the Leased Premises free from any liens arising out of any work performed, material furnished, or obligations incurred by Tenant. If a notice of a lien shall be filed against the Leased Premises, and such lien is for, or purports to be for labor, or

material alleged to have been furnished to or delivered at the Leased Premises to or for Tenant, or anyone claiming under Tenant, then Tenant shall cause such lien to be discharged or bonded over within thirty (30) days after the filing of such lien. If Tenant shall fail to discharge or bond over any such lien, then Landlord shall have the right (but not the obligation) to pay or discharge any such lien or claim of lien or treat such lien or claim of lien as a default under the terms of this Lease. If Landlord elects to pay or discharge any such lien or claim of lien, then Tenant shall pay to Landlord all of Landlord's expenses incurred, including reasonable attorneys' fees, together with interest on the funds so advanced at the lesser of 18% per annum or the highest rate permissible by law, which payment shall be deemed additional rent payable on demand. In addition to the foregoing, Landlord may, at its option, and with full cooperation of Tenant, timely post and record, if permitted by applicable state law, such notices, including notices of non-responsibility for materials and labor delivered to or performed upon the Leased Premises, to protect Landlord, Landlord's interest in the Leased Premises and Landlord's interest in the Lease from Tenant's activity on or about the Leased Premises and from the filing of workman's or materialman's liens.

10. Maintenance by Tenant.

10.1 Tenant Repairs. Tenant shall, at all times during the Term of this Lease, keep and maintain, at its own cost and expense, in good order, condition, and repair, the Leased Premises (including, without limitation, all improvements and fixtures on the Leased Premises), so as to avoid accumulation of waste material or creation of a danger to public health and welfare, and, if desired by Tenant, will make all repairs and replacements, interior and exterior, above or below ground, and ordinary or extraordinary. Such repairs include, without limitation: all plumbing and sewage facilities in the Leased Premises; floors (including floor coverings); doors, locks, and closing devices; window casements and frames; glass and plate glass; all electrical facilities and equipment; lighting, heating and HVAC systems and equipment of every kind and nature; and cleaning, lighting and repairing all vehicle parking areas described in Section 19 below.

10.2 Condition Upon Termination. Upon the expiration or termination of this Lease, Tenant will surrender the Leased Premises to Landlord in broom clean condition. Tenant shall remove from the Leased Premises and Property any fuel, oil, grease solvents, antifreeze, waste fluid, synthetic fluids, and other fluids associated with Tenant's use and occupancy of the Leased Premises, whether waste materials or useful products. Notwithstanding anything to the contrary contained in this Lease, Tenant shall not be obligated to remove any fuel, oil, grease solvents, antifreeze, waste fluid, synthetic fluids, and other fluids belonging to Pennettas One Stop Auto Repair, Inc. ("Pennettas") or associated with Pennettas' use and occupancy of the Property. To the extent allowed by law, and except as otherwise provided hereunder, Tenant waives the right to make repairs at Landlord's expense under the provisions of any laws permitting repairs by a tenant at the expense of a landlord.

11. Hazardous Materials - Compliance with Environmental Laws.

11.1 Tenant's Obligations. Tenant shall not, without the prior written consent of Landlord, cause or permit, knowingly or unknowingly, any Hazardous Materials (hereinafter defined) to be brought or remain upon, kept, used, discharged, leaked, or emitted in or about, or

treated at the Leased Premises, except for such materials that are required for the normal maintenance and operation of Tenant's business on the Leased Premises and that are properly stored, used and disposed of in accordance with applicable Environmental Law. As used in this Agreement, "Hazardous Materials" means: (a) hazardous wastes, hazardous substances, hazardous constituents, toxic substances or related materials, whether solids, liquids or gases, including, but not limited to substances defined as "hazardous wastes," "hazardous substances," "toxic substances," "pollutants," "contaminants," "radioactive materials," or other similar designations in, or otherwise subject to regulation under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et. seq.; the Toxic Substance Control Act, 15 U.S.C. § 2601 et. seq.; the Hazardous Materials Transportation Act, 49 U.S.C. § 1802; the Resource Conservation and Recovery Act, 42 U.S.C. § 9601 et. seq.; the Clean Water Act, 33 U.S.C. § 1251 et. seq.; the Safe Drinking Water Act, 42 U.S.C. § 300(f) et. seq.; the Clean Air Act, 42 U.S.C. § 7401 et. seq.; the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. §§ 136–136y et seq.; and in any permits, licenses, approvals, plans, rules, regulations or ordinance adopted, or other criteria and guidelines promulgated pursuant to the preceding laws or other similar federal, state or local laws, regulations, rules or ordinances now or hereafter in effect relating to environmental matters (collectively, "Environmental Laws"); and (b) any other substances, constituents or wastes subject to any applicable federal, state or local law, regulation or ordinance, including any Environmental Law now or hereafter in effect, including but not limited to petroleum, refined petroleum products, waste oil, waste aviation or motor vehicle fuel, and asbestos. Tenant shall immediately notify Landlord of each incident or occurrence on the Leased Premises that is in violation of any Environmental Law. In addition, Tenant, within five (5) days of receipt, shall send to Landlord a copy of any notice, order, inspection report, or other document issued by any governmental authority relevant to the Tenant's compliance status with environmental or health and safety laws.

11.2 Removal of Petroleum Storage Tanks and Hydraulic Lifts. No later than June 30, 2020, Tenant shall complete removal of all underground petroleum storage tanks (including all pumps and piping and any used oil tanks) ("USTs") and all hydraulic lifts (including any hydraulic fluid and fluid reservoirs and any sand traps) from the Property in accordance with law and pursuant to the following:

A. Tenant will engage Palmetto Environmental Group, LLC ("Palmetto") to remove all USTs and perform such other services (collectively, the "Palmetto Services") pursuant to the scope of work attached hereto as **Exhibit B**.

B. The Palmetto Services will be conducted for a flat fee of seventy thousand one hundred fifty and 00/100 dollars ($70,150.00) (the "Palmetto Fees") payable as follows: (a) twenty thousand and 00/100 dollars ($20,000.00) upon signing the scope of services or other agreement, (b) twenty thousand one hundred fifty and 00/100 Dollars ($20,150.00) upon removal of the USTs and the hydraulic lifts, and (c) thirty thousand and 00/100 dollars ($30,000.00) following Tenant's receipt of either a rebate, or notice of denial of a rebate, from the State of Colorado for the cost of removing the USTs. Landlord and Tenant each will pay one-half of the Palmetto Fees, which Landlord and Tenant each shall pay directly to Palmetto, except as provided below. Any State of Colorado rebate of UST removal costs received by Tenant shall be applied in full to the Palmetto Fees and shall equally reduce the amounts due from each party in

payment of the Palmetto Fees.

C. If post-removal confirmation sampling conducted pursuant to the Palmetto Services identifies no petroleum contamination that requires remediation for residential use of the Property pursuant to Colorado Department of Labor and Employment, Division of Oil and Public Safety ("OPS") regulations and guidance ("Standards"), Tenant will seek a Closure letter from the OPS that allows residential use of the Property. Tenant shall deliver to Landlord a copy of any Closure letter obtained by Tenant within five (5) Business Days after receipt by Tenant. As used in this Lease, the term "Business Day" shall mean a day that is not a Saturday, Sunday or legal holiday in the state of Colorado.

D. If the confirmation sampling identifies any petroleum contamination (other than contamination subject to OPS Event ID 7472) that requires remediation pursuant to OPS regulations ("New Contamination"), Tenant will:

1. Report the release to the OPS;

2. Use commercially reasonable efforts to apply to the Petroleum Storage Tank Fund Committee ("Committee") for confirmation of eligibility for reimbursement from the Colorado Petroleum Storage Tank Fund ("Fund") for the costs of remediating the New Contamination;

3. Use commercially reasonable efforts to transfer its confirmed Fund eligibility for the New Contamination to Landlord; and

4. Use commercially reasonable efforts to comply with any OPS requirements, standards, or requests that require action prior to confirmation of the transfer of eligibility to Landlord.

E. Tenant shall be responsible for the Petroleum Storage Tank Fund deductible and for any portion of remediation costs not reimbursed by the Fund, up to the balance of funds in the Environmental Escrow defined in Section 11.4, below, if any New Contamination is discovered during the performance of the Palmetto Services. If Tenant directly incurs any out of pocket costs pursuant to Sections 11.2.D. or E., it shall be entitled to reimbursement of such costs from the Environmental Escrow.

F. Tenant agrees to take such other reasonable action as may be necessary to assure maximum reimbursement from the Fund of costs associated with the remediation, provided, however, that Tenant's financial liability for remediation of New Contamination shall be limited to the funds placed into the Environmental Escrow pursuant to Section 11.4.

11.3 Landlord's Corrective Action Obligations. If New Contamination is discovered Landlord shall:

A. Accept assignment of Tenant's Fund eligibility;

B. Conduct remediation of the New Contamination pursuant to OPS Standards until the OPS approves Closure of the Remediation;

C. Retain Palmetto as Landlord's contractor to complete remediation of the New Contamination, provided, however, the Landlord may retain an alternative contractor if (i) Palmetto is unable, for any reason, to conduct the remediation work or, (ii) if a material dispute arises between Palmetto and Landlord;

D. Make application to the Fund for reimbursement of all Remediation costs that reasonably are reimbursable from the Fund;

E. Provide written notice of the OPS Closure approval to Tenant within ten (10) Business Days after receipt of the Closure approval;

F. Pursuant to Section 11.4, below, direct the Escrow Agent to release any remaining Environmental Escrow funds within fifteen (15) Business Days after payment on the final reimbursement application to the Fund; and

G. Landlord agrees to take such other reasonable action as may be necessary to assure maximum reimbursement from the Fund of costs associated with the remediation.

11.4 Environmental Escrow Account. Upon the Effective Date, Tenant shall deliver forty-five thousand and 00/100 Dollars ($45,000.00) (the "Environmental Escrow") to First Integrity Title Company, 91141 Walnut Street, Suite 101, Denver, CO 80205; Attention: Sabina Petkov; spetkov@firstintegritytitle.com; (720) 351-4411 (the "Escrow Agent") to be held in an Environmental Escrow account. The funds in the Environmental Escrow shall be used to pay (i) the deductible payment incurred by Landlord in order to qualify for reimbursement from the Fund; (ii) any remediation costs incurred by Landlord with respect to the New Contamination that are not reimbursed by the Fund due to any percent reductions relating to Tenant's compliance history; and (iii) any out of pocket costs incurred by Tenant in connection with (x) its obligations set forth in Sections 11.2.D. and 11.2.F., and (y) the Fund deductible or remediation costs that are not reimbursed due to compliance reductions, as set forth in Section 11.2.E. Upon receipt of each payment report from the Fund, Landlord shall submit to Escrow Agent, with a copy to Tenant, the payment report and a request for payment of Remediation costs that are not paid by the Fund. Unless Tenant notifies Escrow Agent and Landlord in writing of any objection within five (5) Business Days after service of the request, Escrow Agent shall make the requested payment to Landlord. If Tenant claims a right to payment from the Environmental Escrow, it shall submit a written request for payment to Escrow Agent, with a copy to Landlord, which request shall include supporting receipts, invoices, and any payment report from the Fund. Unless Landlord notifies Escrow Agent and Tenant in writing of any objection within five (5) Business Days after service of the request, Escrow Agent shall make the requested payment to Tenant. Any funds remaining in the Environmental Escrow after payment of the requested amount on the final Fund payment report shall be paid to Tenant. If Tenant obtains a Closure letter pursuant to Section 11.2.C, above, all funds in the Environmental Escrow shall be released to Tenant within ten (10) Business Days after delivery of the Closure letter to Landlord and Title Company.

A. If requested by Tenant, Escrow Agent shall deposit the Environmental Escrow funds in an interest-bearing account at a financial institution approved by Landlord and Tenant and whose deposits are insured by the Federal Deposit Insurance Corporation, and all interest and income thereon shall become part of the Environmental Escrow and shall be remitted to the party entitled to the Environmental Escrow pursuant to this Agreement. The tax identification numbers of the parties shall be furnished to Escrow Agent upon request.

B. Escrow Agent shall have the right at any time to deposit the Environmental Escrow with a court of competent jurisdiction in the state in which the Property is located. Escrow Agent shall give written notice of such deposit to Landlord and Tenant. Upon such deposit, Escrow Agent shall be relieved and discharged of all further obligations and responsibilities hereunder.

C. The parties acknowledge that Escrow Agent is acting solely at their request and for their convenience, and that Escrow Agent shall not be deemed to be the agent of either of the parties for any act or omission on Escrow Agent's part unless taken or suffered in bad faith in willful disregard of this Lease or involving negligence, fraud or illegal acts. To the extent permitted by law, Landlord and Tenant jointly and severally shall indemnify and hold Escrow Agent harmless from and against all out-of-pocket costs, claims and expenses, including reasonable attorneys' fees, incurred by Escrow Agent in connection with the performance of its duties hereunder, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith, in willful disregard of this Lease or involving negligence, fraud or illegal acts on the part of Escrow Agent.

D. The parties shall deliver to Escrow Agent an executed copy of this Lease, which shall constitute the sole instructions to Escrow Agent concerning the Environmental Escrow. Escrow Agent shall execute the Approval by Escrow Agent signature page attached to this Lease; provided, however, that (i) Escrow Agent's signature hereon shall not be a prerequisite to the binding nature of this Lease on Landlord and Tenant, and the same shall become fully effective upon execution by Landlord and Tenant; and (ii) the signature of Escrow Agent will not be necessary to amend any provision of this Lease other than this Section 11.4.

11.5 Limitation of Liability. Tenant's sole obligation to Landlord for remediation of any New Contamination shall be as set forth in this Section 11.

11.6 Survival. The provisions of Sections 11.2, 11.3, 11.4, and 11.5 shall survive termination of this Lease.

12. Indemnification by Tenant. Tenant will protect, indemnify and save harmless Landlord and its members, managers, employees, agents, representatives, successors and assigns (the "Indemnitees") from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including without limitation, reasonable attorneys' fees and expenses) imposed upon or incurred by or asserted against Landlord or any Indemnitees and arising out of Tenant's use of, or operation of its business at, the Leased Premises during the Term of this Lease by reason of: (a) any occurrence, injury to or death of persons (including workmen) or loss of or damage to property occurring on or about the Leased Premises or any part thereof;

(b) any use of the Leased Premises or any part thereof; (c) any failure on the part of Tenant to perform or comply with any of the terms of this Lease, including without limitation, any environmental, health or safety obligations of Tenant hereunder; or (d) performance of any labor or services or the furnishing of any materials or other property in respect of the Leased Premises or any part thereof. Nothing herein shall be construed as requiring Tenant to indemnify Landlord against claims arising out of the negligence, gross negligence or willful misconduct of Landlord or its agents or representatives. Nothing herein shall be construed to extend Tenant's liability to Landlord for remediation of New Contamination beyond the Environmental Escrow. The obligations of Tenant under this Section 12 arising by reason of any such occurrence having taken place during the Term of this Lease shall survive any expiration or termination of this Lease for a period of two (2) years.

13. Assignment and Subleasing. Tenant may not assign this Lease or any interest herein or sublet the whole or any part of the Leased Premises or permit the same to be occupied by anyone other than Tenant.

14. Damage to Leased Premises. In the event of damage causing a total or partial destruction of the Leased Premises during the Term of this Lease such that the Leased Premises are no longer useable by Tenant in a material manner, Tenant shall remove its personal property that is salvageable from the Leased Premises and vacate the Leased Premises as soon as reasonably possible, and rent shall be prorated to the date of destruction. This Lease will remain in effect until thirty (30) days after such destruction, during which period Tenant shall complete the UST and hydraulic lift removals required by Section 11.2.

15. Tenant Waiver of Claims against Landlord. Tenant, as a material part of the consideration to be rendered to Landlord, hereby waives all claims against Landlord for damages to goods, wares and merchandise, in, upon, or about the Leased Premises and for injury to Tenant, its agents or third persons in or about the Leased Premises from any cause arising during the Term; provided, however, that nothing herein shall be construed as requiring Tenant to waive its rights against Landlord if such damage arose out of the negligence, gross negligence or willful misconduct of Landlord or its agents or representatives.

16. Landlord's Right of Entry. Landlord and its authorized agents or designees shall have the right to enter upon all portions of the Leased Premises at any reasonable time and for any reasonable legal or business purpose. Landlord and its authorized agents or designees shall have the right to conduct any testing or other procedures on or relating to the Leased Premises to verify or check the environmental condition of the Leased Premises and to verify Tenant's compliance with the terms and conditions of this Lease.

17. Holding Over. No holdover tenancy shall be permitted.

18. Security Deposit. Intentionally omitted.

19. Parking Area; Access to Leased Premises. In addition to the Leased Premises, Tenant shall have the non-exclusive right to use the parking areas of the Property for purposes of parking automobiles of its customers. Landlord grants to Tenant and its customers, invitees and

permittees the right of ingress and egress on, over and across that portion of the Property that is not the Leased Premises for purposes of accessing the Leased Premises. Tenant shall not, and shall be obligated to take such actions as necessary to cause its customers, employees or invitees to not block access of customers to and from the auto repair garage located on the Property.

20. Signage. During the Term of this Lease, Tenant shall be entitled to maintain any sign on the Property that exists as of the date of this Lease.

21. Default and Remedies.

21.1 Default by Tenant. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Tenant:

A. The failure by Tenant to comply with the environmental provisions contained in Section 11 above in any manner whatsoever.

B. The failure by Tenant to make any payment, including Rent, required to be made by Tenant hereunder within five (5) days after such payment is originally due.

C. The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, other than described in Section 21.1.B above, where such failure shall continue for a period of fifteen (15) days after written notice thereof from Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than fifteen (15) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commenced such cure within said fifteen (15) day period and thereafter diligently prosecutes such cure to completion.

21.2 Landlord's Remedies. Landlord shall have the following remedies if Tenant commits a default. These remedies are not exclusive; they are cumulative in addition to any remedies now or later allowed by law.

A. Landlord may continue this Lease in full force and effect, and the Lease will continue in effect as long as Landlord does not terminate Tenant's right to possession, and Landlord shall have the right to collect any payment, including Rent, when due.

B. In the event of any default by Tenant under the provisions of Section 21.1, Landlord can elect to terminate Tenant's right to possession of the Leased Premises. No act by Landlord other than declaring a forfeiture of the Lease or the taking possession of the Leased Premises for its own account shall terminate this Lease. Acts of maintenance, efforts to relet the Leased Premises, or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Lease, shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to recover from Tenant:

1. Any payments due to the Landlord; and

2. Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's

default.

21.3 Default by Landlord. In the event of any alleged default in the obligation of Landlord under this Lease, Tenant will deliver to Landlord written notice and Landlord will have fifteen (15) days following receipt of such notice to cure such alleged default or, in the event the alleged default cannot reasonably be cured within a fifteen (15) day period, to commence action to cure such alleged default within said fifteen (15) day period and diligently pursue the remedy to completion.

22. Subordination / Attornment / Estoppel.

22.1 Subordination. This Lease and Tenant's rights hereunder are subject and subordinate, and Landlord shall have the right to subordinate this Lease, to any ground or underlying lease, or any mortgage, indenture, deed of trust or other lien or encumbrance, together with any renewals, extensions, modifications, consolidations and replacements thereof, now or hereafter existing, affecting or placed, charged or enforced against the Leased Premises or any interest of Landlord, or Landlord's interest in this Lease, except to the extent that any such instrument expressly provides that this Lease shall be superior to such instrument. This provision will be self-operative, and no further instrument or subordination will be required in order to effect it. Nevertheless, Tenant will execute, acknowledge and deliver to Landlord at any time, or from time to time, upon demand by Landlord, such documents as may be requested by Landlord, or by any ground or underlying lessor or any mortgagee or subsequent mortgagee, to confirm or effect this subordination, subject to the provisions of this Section 22.1. If Tenant is obligated to and fails or refuses to execute, acknowledge and deliver any such document within ten (10) days after written demand, Landlord, its successors or assigns will be entitled to execute, acknowledge and deliver any and all such documents for and on behalf of Tenant as attorney-in-fact for Tenant. Tenant, by this Section 22.1, constitutes and irrevocably appoints Landlord, its successors and assigns as Tenant's attorney-in-fact to execute, acknowledge and deliver any and all documents described in this Section 22.1 for and on behalf of Tenant as provided for herein.

22.2 Attornment. If Landlord's interest in the Leased Premises is acquired by any ground lessor, beneficiary under a deed of trust, mortgagee or purchaser (whether at a foreclosure sale or otherwise), Tenant shall attorn to the transferee of or successor to Landlord's interest in the Leased Premises and recognize such transferee or successor as Landlord under this Lease. Tenant waives the protection of any statute or rule of law which gives or purports to give Tenant any right to terminate this Lease or surrender possession of the Property upon the transfer of Landlord's interest. Upon request by such successor in interest and without cost to Landlord or such successor in interest, Tenant will execute, acknowledge or deliver an instrument or instruments confirming this attornment. If Tenant fails or refuses to execute, acknowledge or deliver any such document within ten (10) days after written demand, such successor in interest will be entitled to execute, acknowledge and deliver any and all such documents for and on behalf of Tenant as attorney-in-fact for Tenant. Tenant, by this Section 22.2, constitutes and irrevocably appoints Landlord, its successors and assigns as Tenant's attorney-in-fact to execute, acknowledge and deliver any and all documents described in this Section 22.2 for and on behalf of Tenant as provided for herein.

23. Estoppel Certificates. Tenant agrees at any time and from time to time within ten (10) days after Notice (as provided for in this Lease) to execute, acknowledge and deliver to Landlord a statement in writing, in form and substance acceptable to Landlord, verifying that this Lease is unmodified and in full force and effect (or if there have been modifications that the Lease is in full force and effect as modified and stating the modifications) and whether or not there exists any default in the performance of any term, condition or covenant of this Lease and, if so, specifying each such default, it being intended that any such statement delivered pursuant to this Section 23 may be relied upon by Landlord and by any mortgagees, prospective purchasers or prospective mortgagees of Landlord's interest in all or any part of the Leased Premises.

24. Notices. All notices, consents, demands, requests and other communications required or permitted hereunder ("Notices") shall be in writing, and shall be (A) personally delivered with a written receipt of delivery; (B) sent by a nationally recognized overnight delivery service requiring a written acknowledgement of receipt or providing a certification of delivery or attempted delivery; (C) sent by certified or registered mail, return receipt requested; or (D) sent by e-mail. All Notices shall be deemed effective when actually delivered as documented in a delivery receipt; provided, however, that if the Notice was sent by overnight courier or by certified or registered mail and is affirmatively refused or cannot be delivered during customary business hours by reason of the absence of a signatory to acknowledge receipt, or by reason of a change of address with respect to which the sender did not have either knowledge or written notice delivered in accordance with this Section, then the first attempted delivery shall be deemed to constitute delivery; and further provided that Notices given by e-mail shall be deemed given when sent, except that email notice given after 6:00 p.m. (MT) on a Business Day or delivered on a non-Business Day shall be deemed to be delivered on the next Business Day. Each party shall be entitled to change its address for Notices from time to time by delivering to the other party Notice thereof in the manner herein provided for the delivery of Notices. Telephone numbers are provided for convenience only, and oral communications shall not constitute valid notice hereunder, except where expressly indicated otherwise. All Notices shall be sent to the addressee at its address set forth following its name below:

If to Tenant:

Universal Gas and Food Mart
7289 Spring Drive
Boulder, CO 80303
Attn: Lee Dizaji
Phone:
Email: universalgasandfoodmart@gmail.com

with a copy to
(which copy shall not constitute notice to Tenant):

Foster Graham Milstein & Calisher, LLP
360 S. Garfield Street, Suite 600
Denver, CO 80209
Attn: David J. Moses
Phone: (303) 962-7114
E-Mail: dmoses@fostergraham.com

If to Landlord: Arvada Urban Renewal Authority
5601 Olde Wadsworth Boulevard, Suite 210
Arvada, CO 80002
Attn: Maureen Phair
Phone: 720.898.7062
E-mail: mphair@arvada.org

with a copy to
(which copy shall not constitute
notice to Tenant): Burns, Figa & Will P.C.
6400 S. Fiddlers Green Circle, Suite 1000
Englewood, CO 80111
Attn: Scott Clark
Phone: 303-796-2626
E-mail: sclark@bfwlaw.com

25. No Waiver by Landlord. The waiver by Landlord of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition for any subsequent breach of the same or any other term, covenant, or condition herein contained. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, or condition of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent.

26. Remedies Cumulative. All the rights and remedies herein given to the Landlord for the recovery of the Leased Premises because of the default by the Tenant in the payment of any sums which may be payable pursuant to the terms of this Lease, or upon the breach of any of the terms thereof, or the right to re-enter and take possession of the Leased Premises upon the happening of any of the defaults or breaches of any of said covenants, or the right to maintain any action for Rent or damages and all other rights and remedies allowed at law or in equity, are hereby reserved and conferred upon the Landlord as distinct, separate and cumulative remedies, and no one of them, whether exercised by the Landlord or not, shall be deemed to be in exclusion of any of the others.

27. Miscellaneous Provisions.

27.1 No Construction Against Drafting Party. Landlord and Tenant acknowledge that each of them had an opportunity to review this Lease, and either had their counsel review this Lease or had the opportunity to have counsel review this Lease but chose not to do so, and that this Lease will not be construed against Landlord merely because Landlord's counsel has prepared it.

27.2 No Recordation. This Lease shall not be recorded.

27.3 No Merger. The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant and Landlord or the termination of this Lease on account of Tenant's default will not work a merger, and will, at Landlord's option operate as an assignment to Landlord of all or any subleases or subtenancies. Landlord's option under this Section will be exercised by notice to Tenant and all known sublessees or subtenants in the Leased Premises or any part of the Leased Premises.

27.4 Attorneys' Fees. In any civil action brought to enforce the provisions of the Lease, the party in whose favor a judgment or decree has been rendered shall be awarded reasonable court costs and expenses, including attorneys' fees, from the non-prevailing party.

27.5 Gender. Whenever the singular number is used in this Lease and when required by the context, the same shall include the plural, and the masculine gender shall include feminine and neuter genders, and the word "person" shall include corporation, firm, partnership or association.

27.6 Titles and Headings. The marginal headings or titles to the Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part of this Lease.

27.7 Entire Agreement. This instrument contains all of the agreements and conditions made between the parties to this Lease and may not be modified orally or in any other manner than by an agreement in writing signed by all the parties to this Lease, or their respective successors in interest.

27.8 Binding Effect. The terms and provisions of this Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and assigns of Landlord and Tenant.

27.9 Invalidity of Provisions. If any provision of this Lease shall at any time be deemed to be invalid or illegal by the entry of a final judgment from a court of competent jurisdiction, which judgment is not subject to appeal, then, in that event, this Lease shall continue in full force and effect with respect to the remaining provisions of the Lease as if the invalidated provision had not been contained herein.

27.10 Governing Law. The Lease shall be construed and governed by the applicable laws of the state of Colorado.

[Signatures on Following Page]

IN WITNESS WHEREOF, Landlord and Tenant have signed and sealed this Lease on the day and year first above written.

LANDLORD:

ARVADA URBAN RENEWAL AUTHORITY, a Colorado Urban Renewal Authority

By: _____
Maureen Phair, Executive Director

Date: _____

TENANT:

UNIVERSAL GAS AND FOOD MART CORPORATION, a Colorado Corporation

By: _____
Khalil Dizaji, President

Date: _____

EXHIBIT A
TO LEASE AGREEMENT

A PARCEL OF LAND LYING IN THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 3 SOUTH, RANGE 69 WEST OF THE 6TH PRINCIPAL MERIDIAN, AND BEING A PORTION OF BLOCK 5, ARVADA SQUARE, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 60.5 FEET NORTH AND 30 FEET WEST OF THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10, TOWNSHIP 3 SOUTH, RANGE 69 WEST, THENCE WEST PARALLEL TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10 A DISTANCE OF 175 FEET TO A POINT; THENCE NORTH PARALLEL TO THE EAST LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER SAID SECTION 10 A DISTANCE OF 175 FEET TO A POINT; THENCE EAST PARALLEL TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10 A DISTANCE OF 175 FEET TO A POINT; THENCE SOUTH PARALLEL TO THE EAST LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10 A DISTANCE OF 175 FEET TO THE POINT OF BEGINNING;

COUNTY OF JEFFERSON, STATE. OF COLORADO.

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is made effective this 25th day of February, 2020, by and between Arvada Urban Renewal Authority, a Colorado Urban Renewal Authority constituted pursuant to C.R.S. § 31-25-104, having an address at 5601 Olde Wadsworth Boulevard, Suite 210, Arvada, CO 80002, hereinafter referred to as "Landlord," and Pennettas One Stop Auto Repair, Inc., a Colorado Corporation, having an address at 9205 W. 58th Ave., Arvada, CO 80002, hereinafter referred to as "Tenant."

RECITALS

A. Landlord is the owner of real property and improvements located at 9205 West 58th Avenue, Arvada, Colorado 80002, more particularly described on **Exhibit A** attached hereto and incorporated herein by this reference (the "Property").

B. Landlord wishes to lease to Tenant, and Tenant wishes to lease from Landlord, six (6) service center bays located on the Property, designated as the "Leased Premises," which have been and are occupied by Tenant prior to and on the date of this Lease, together with those improvements located at the Leased Premises used in connection with the Service Center.

WITNESSETH:

That in consideration of the rents, covenants and conditions herein set forth, Landlord and Tenant covenant, promise and agree as follows:

1. Lease of Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, for the Term and subject to the terms and condition hereof, the Leased Premises described above, situated on and comprising a portion of the Property, to have and to hold the same together with all other improvements therein and thereon belonging or pertaining to said Leased Premises, including all rights, privileges, easements and appurtenances belonging or pertaining thereto. The Leased Premises shall not include any portion of the Property other than that portion designated as the Leased Premises on the Site Map. Tenant shall obtain no rights in the Property other than as specifically set forth in this Lease.

2. Term, Nonrenewal, and Relocation Payment.

2.1 Term. The term of the Lease ("Term") shall be for a period of two months commencing on April 1, 2020 ("Commencement Date") and continuing through 11:59 p.m. on May 31, 2020 ("Expiration Date"), unless sooner terminated as provided herein. Upon or before the Expiration Date, Tenant shall vacate the Leased Premises peacefully.

2.2 Nonrenewal. Tenant shall not have the right to renew this Lease.

2.3 Relocation. Upon Tenant's vacation of the Leased Premises and satisfaction of all conditions in this Lease, Landlord will pay $100,000 to Tenant for the cost to relocate its business. The purpose of this relocation payment is to support the Tenant's business while furthering Landlord's goals of redeveloping the Property and surrounding area. Tenant agrees to and accepts these terms without objection or complaint.

3. Rent. In consideration for Tenant's agreement to the Term of this Lease, and to vacate peacefully upon its termination, Tenant is not required to pay rent for the Leased Premises.

4. Use of Leased Premises.

4.1 Use. Tenant shall use the Leased Premises only for operating an automotive service center and other services directly associated with such operations, and for no other purpose without the prior written consent of Landlord. Tenant will not allow its employees, customers, visitors, licensees, agents or invitees to: (i) offer for sale or sell any goods or products on or from the Leased Premises, except for any automobile parts or tires sold in connection with performing automotive services; (ii) do or permit to be done in or about the Leased Premises, nor bring to, keep or permit to be brought or kept in or on the Leased Premises, anything that is prohibited by or will in any way conflict with any law, statute, ordinance or governmental rule or regulation which is now in force or which may be enacted or promulgated after the Commencement Date; (iii) do or permit anything to be done in or about the Leased Premises which will in any way obstruct or interfere with the rights of Landlord in operating the filling station or convenience store located on the Property or adjoining landowners, or inconvenience, injure, damage or annoy any of them, including, but not limited to, excess noise, vibration or odors or any other acts which may disturb Landlord or adjoining landowners; (iv) use or allow the Leased Premises to be used for any immoral, improper or objectionable purpose; (v) cause, maintain or permit any nuisance in, on or about the Leased Premises; or (vi) permit any act or thing to occur which may cause damage or waste to the Leased Premises or the Property. Tenant shall, at its own risk and expense, obtain and keep in force all governmental licenses and permits necessary for such use.

4.2 Storage of Materials, Equipment, and Products. Tenant understands and acknowledges that Landlord will be entitled to permit another tenant to store materials, equipment, and products in the gated area and the trash enclosure area that is designated on the site plan as a shared area.

5. Quiet Enjoyment. Landlord represents that it has full right and power to execute this Lease and to grant the estate demised herein and subject to other provisions of this Lease, Landlord covenants with Tenant that so long as Tenant performs and observes all of the terms, conditions and covenants herein contained, Tenant shall peaceably and quietly enjoy the Leased Premises during the Term of this Lease.

6. Utilities; Trash Removal; Security System.

6.1 Utilities. Universal Gas and Food Mart Corporation shall provide utilities to the Leased Premises during the Term of this Lease comprising water, electrical, gas, and

security system. Tenant shall be responsible for trash removal. Landlord shall not be liable, in damages or otherwise, for any discontinuance, failure or interruption of utility service to the Leased Premises. No such discontinuance, failure or interruption shall be deemed a constructive eviction of Tenant or entitle Tenant to terminate this Lease.

6.2 Trash Removal. During the Term of this Lease, Tenant shall be entitled to utilize the trash dumpster located at the northwest corner of the Leased Premises; provided, however, that Tenant's entitlement to use the trash dumpster is expressly limited to waste that may be deposited as solid waste disposal pursuant to laws, rules and regulations of any applicable governing agency, and that any disposal of tires, Hazardous Materials (defined below), solvents or other products or byproducts governed by or regulated in any manner under the environmental, health and safety laws described in, and in accordance with the terms of, Section 11 of this Lease is strictly prohibited.

6.3 Security System. During the Term of this Lease, Tenant shall be entitled to use the security system located at Property.

7. Taxes.

7.1 Payment of Personal Property, Franchise, Business and Similar Taxes. Tenant shall pay before delinquency any and all taxes (whether franchise, business or otherwise), assessments, license fees and public charges levied, assessed or imposed upon Tenant's business conducted on the Leased Premises or upon Tenant's fixtures, furniture, appliances and personal property installed or located in or on the Leased Premises, which arise from Tenant's use or occupancy of the Leased Premises during the Term.

7.2 Real Estate Taxes. Landlord shall pay or cause to be paid all taxes which may be levied or assessed by any lawful authority against the land and buildings comprising the Lease Premises.

8. Insurance.

8.1 Tenant Insurance. Tenant covenants and agrees that it shall at all times during the Term of this Lease carry and maintain in full force and effect, at Tenant's sole expense, insurance against perils customarily included within all-risk and fire and extended coverage on Tenant's leasehold improvements, fixtures, trade fixtures, equipment, inventory, merchandise and other personal property, and Tenant's and its customers' automobiles and personal property, which is from time to time situated on or about the Leased Premises or the Property, in an amount equal to the full replacement value of those items at the time of loss. Tenant shall also carry and maintain, at Tenant's sole expense, commercial general liability and property damage insurance, towing insurance, automotive insurance and garage keepers insurance with a combined single limit of not less than $2,000,000 with respect to any one occurrence on or about the Property, and $2,000,000 in the aggregate as to any occurrences, with respect to the business conducted by Tenant on the Leased Premises. The liability coverage shall name Landlord as an additional insured. Tenant shall also carry and maintain, at Tenant's sole expense, a policy of glass breakage insurance with coverage in a sum equal to the replacement value of any and all glass windows on the Leased Premises. Tenant shall also carry and maintain,

at Tenant's sole expense, workers' compensation insurance in such amounts and types as required by applicable laws and regulations governing Tenant's business operations.

8.2 Landlord Insurance. Intentionally omitted.

8.3 Insurance Provisions. All policies required to be maintained by the parties by this Lease shall be written and underwritten by solvent and responsible insurance companies which are licensed to do business in the State of Colorado and have a Best rating of A-XII or better. Within 10 days after the Commencement Date and from time to time thereafter upon request by Landlord, Tenant shall deliver to Landlord certificates of insurance evidencing the insurance required to be carried by Tenant under this Lease.

8.4 Tenant's Failure to Obtain. If Tenant fails either to acquire the insurance required pursuant to this Section 8 or to pay the premiums for such insurance or deliver the required policies or certificates, then Landlord (in addition to other rights and remedies available to Landlord at law, in equity or under the default provisions of this Lease) shall have the right (in its sole election), but not the obligation, to acquire such insurance and pay the requisite premiums therefor. If Landlord elects to acquire such insurance on behalf of Tenant, such premiums will be reimbursable and payable by Tenant to Landlord, as additional rent, immediately upon written demand therefor made to Tenant by Landlord, plus 18% interest per annum or the maximum amount allowed by law, whichever is lower, if not paid within 10 days after notice.

8.5 Waiver of Subrogation. The parties hereto release each other, and their respective authorized representatives, from any claims for damage to any person or to the Leased Premises and other improvements located in the Leased Premises, and to the fixtures, personal property, improvements and alterations of either Landlord or Tenant in or upon the Leased Premises, that are caused by or result from risks insured against under any insurance policies carried by the parties and in force at the time of any such damage. Each party shall cause each insurance policy obtained by it to provide that the insurance company waives in writing all right of recovery by way of subrogation against either party in connection with any damage covered by any policy. Neither party shall be liable to the other for any damage caused by fire or any of the risks insured against under any insurance policy required by this Lease.

9. Alterations and Fixtures.

9.1 Tenant Alterations. Tenant shall not make or permit any alterations, additions or improvements to the Leased Premises.

9.2 Removal of Underground Lifts. Intentionally omitted.

9.3 Air Compressors. During the term of this Lease, Landlord may allow another tenant the right to share the use of the air compressor currently located in a storage building on the Property, which shall remain in its current location throughout the term of this Lease. Tenant shall be responsible for its share of the cost of maintaining, repairing and replacing the air compressor. Tenant shall not change the air line configuration in any manner whatsoever without Landlord's prior written consent.

9.4 Removal of Trade Fixtures. Tenant shall, at or prior to the termination or expiration of this Lease, remove all trade fixtures, furniture, personal property and equipment owned by Tenant and located on or customarily used in connection with the operation of the Service Center located on the Leased Premises ("Tenant's Personal Property"). Any of Tenant's Personal Property that is not removed by Tenant prior to the termination or expiration of the Lease, if any, shall be deemed the property of Landlord, without payment therefor.

9.5 Mechanics' and Materialmen's Liens. Tenant shall, at all times, keep the Leased Premises and all improvements in the Leased Premises free from any liens arising out of any work performed, material furnished or obligations incurred by Tenant. If a notice of a lien shall be filed against the Leased Premises, and such lien is for, or purports to be for labor, or material alleged to have been furnished to or delivered at the Leased Premises to or for Tenant, or anyone claiming under Tenant, then Tenant shall cause such lien to be discharged or bonded over within thirty (30) days after the filing of such lien. If Tenant shall fail to discharge or bond over any such lien, then Landlord shall have the right (but not the obligation) to pay or discharge any such lien or claim of lien or treat such lien or claim of lien as a default under the terms of this Lease. If Landlord elects to pay or discharge any such lien or claim of lien, then Tenant shall pay to Landlord all of Landlord's expenses incurred, including reasonable attorneys' fees, together with interest on the funds so advanced at the lesser of 18% per annum or the highest rate permissible by law, which payment shall be deemed additional rent payable on demand. In addition to the foregoing, Landlord may, at its option, and with full cooperation of Tenant, timely post and record, if permitted by applicable state law, such notices, including notices of non-responsibility for materials and labor delivered to or performed upon the Leased Premises, to protect Landlord, Landlord's interest in the Leased Premises and Landlord's interest in the Lease from Tenant's activity on or about the Leased Premises and from the filing of workman's or materialman's liens.

10. Maintenance by Tenant.

10.1 Tenant Repairs. Tenant shall, at all times during the Term of this Lease, keep and maintain, at its own cost and expense, in good order, condition, and repair, the Leased Premises (including, without limitation, all improvements and fixtures on the Leased Premises), and will make all repairs and replacements, interior and exterior, above or below ground, and ordinary or extraordinary. Tenant's obligation to keep and maintain the Leased Premises in good order, condition, and repair includes, without limitation: all plumbing and sewage facilities in the Leased Premises; floors (including floor coverings); doors, locks, and closing devices; window casements and frames; glass and plate glass; all electrical facilities and equipment; lighting, heating and HVAC systems and equipment of every kind and nature; and cleaning, lighting and repairing all vehicle parking areas described in Section 20 below.

10.2 Condition Upon Termination. Upon the expiration or termination of this Lease, Tenant will surrender the Leased Premises to Landlord in good order, condition, and repair, broom clean, ordinary wear and tear excepted. Tenant shall remove from the Leased Premises and Property any fuel, oil, greases, solvents, antifreeze, waste fluids, synthetic fluids, and other fluids associated with Tenant's use and occupancy of the Leased Premises, whether waste materials or useful products. To the extent allowed by law, and except as otherwise provided hereunder, Tenant waives the right to make repairs at Landlord's expense under the

provisions of any laws permitting repairs by a tenant at the expense of a landlord.

10.3 Soft Water System. Tenant acknowledges that a soft water system for a car wash is located on the Leased Premises. Tenant shall not have the right to use the soft water system, but shall not damage or otherwise interfere with or hinder the use of such soft water system. Tenant shall provide Landlord or its tenant access to the soft water system for purposes of maintaining, repairing and replacing the soft water system. Tenant shall have no obligation to maintain, repair or replace the soft water system, except for any damage thereto as a result of Tenant's actions or the actions of its employees, agents or invitees.

11. Hazardous Materials - Compliance with Environmental Laws.

11.1 Tenant's Obligations. Tenant shall not, without the prior written consent of Landlord, cause or permit, knowingly or unknowingly, any Hazardous Materials (hereinafter defined) to be brought or remain upon, kept, used, discharged, leaked, or emitted in or about, or treated at the Leased Premises, except for such materials that are required for the normal maintenance and operation of Tenant's business on the Leased Premises and that are properly stored, used and disposed of in accordance with applicable environmental or health and safety laws. As used in the Lease, "Hazardous Material(s)" shall mean any hazardous, toxic or radioactive substance material, matter or waste which is or becomes regulated by any federal, state or local law, ordinance, order, rule, regulation, code or any other governmental restriction or requirement, and shall include solvents, asbestos, petroleum products and the terms "Hazardous Substance" and "Hazardous Waste" as defined in the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), as amended, 42 U.S.C. §9601 et seq., and the Resource Conservation and Recovery Act ("RCRA"), as amended, 42 U.S.C. §6901 et seq. Tenant shall strictly obey and adhere to any and all federal, state or local laws, ordinances, orders, rules, regulations, codes or any other governmental restrictions or requirements (including but not limited to CERCLA and RCRA) which in any way regulate, govern or impact Tenant's possession, use, storage, treatment, or disposal of said Hazardous Material(s). Tenant shall immediately notify Landlord of each incident or occurrence on the Leased Premises that is in violation of any environmental or health and safety laws. In addition, Tenant, within five (5) days of receipt, shall send to Landlord a copy of any notice, order, inspection report, or other document issued by any governmental authority relevant to the Tenant's compliance status with environmental or health and safety laws.

11.2 Landlord's Representations. Intentionally omitted.

12. Waste Oil Tank. Tenant shall be entitled to use the waste oil tank located on the Leased Premises, which is owned by Universal Gas and Food Mart Corporation; provided, however, that Tenant hereby covenants and warrants that (i) it shall not use the waste oil tank for any substances whatsoever except for waste motor oil, (ii) to the extent that a substance other than motor oil is placed into or contained in the waste oil tank, then Tenant shall be solely responsible for any and all costs, charges, fees and penalties in storing, using and disposing of such waste, (iii) Tenant will be solely responsible for any damage to the waste oil tank during the Lease Term; (iv) Tenant shall be solely responsible for any licenses, fees, fines or penalties assessed in connection with Tenant's use of the waste oil tank at the Leased Premises; (v) Tenant

shall be solely responsible for the costs and expenses of any tank testing required by state, local, or federal government; (vi) Tenant shall be responsible for maintaining and cleaning the oil traps in the bays at the Leased Premises, at its sole cost and expense; and (vii) Tenant will monitor the waste oil tank by preparing all weekly and any other reconciliations required by law of the tank, or such other report as required, revised or amended by law, by applicable governmental agencies or as designated by Landlord from time to time. Tenant shall submit copies of all reconciliations and tests to Landlord upon submission to the applicable governmental agencies.

13. Indemnification by Tenant. Tenant will protect, defend, indemnify and save harmless Landlord and its members, managers, employees, agents, representatives, successors and assigns (the "Indemnitees") from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including without limitation, reasonable attorneys' fees and expenses) imposed upon or incurred by or asserted against Landlord or any Indemnitees and arising out of Tenant's use of or operation of its business at the Leased Premises during the Term of this Lease by reason of: (a) any occurrence, injury to or death of persons (including workmen) or loss of or damage to property occurring on or about the Leased Premises or any part thereof; (b) any use, non-use or condition of the Leased Premises or any part thereof; (c) any failure on the part of Tenant to perform or comply with any of the terms of this Lease, including without limitation, any environmental, health or safety obligations of Tenant hereunder; or (d) performance of any labor or services or the furnishing of any materials or other property in respect of the Leased Premises or any part thereof. In case any action, suit or proceeding is brought against the Landlord or any Indemnitees by reason of any such occurrence, Tenant shall defend and hold Landlord and the Indemnitees harmless, and upon Landlord's request, will at Tenant's expense resist and defend such action, suit or proceeding, or cause the same to be resisted and defended by counsel (reasonably acceptable to Landlord) designated by the insurer whose policy covers such occurrence or by counsel designated by Landlord. Nothing herein shall be construed as requiring Tenant to indemnify Landlord against claims arising out of the gross negligence or willful misconduct of Landlord or its agents or representatives. The obligations of Tenant under this Section 13 arising by reason of any such occurrence having taken place during the Term of this Lease shall survive any expiration or termination of this Lease.

14. Assignment and Subleasing. Tenant may not assign this Lease or any interest herein or sublet the whole or any part of the Leased Premises, or permit the same to be occupied by anyone other than Tenant.

15. Damage to Leased Premises. In the event of damage causing a total or partial destruction of the Leased Premises during the Term of this Lease such that the Leased Premises are no longer useable by Tenant in a material manner, Tenant shall remove its personal property that is salvageable from the Leased Premises and vacate the Leased Premises as soon as reasonably possible and this Lease shall terminate upon vacation of the Leased Premises and payment of the sum due to Tenant pursuant to Section 2.3 above.

16. Tenant Waiver of Claims against Landlord. Tenant, as a material part of the consideration to be rendered to Landlord, hereby waives all claims against Landlord for damages to goods, wares and merchandise, in, upon, or about Leased Premises and for injury to Tenant, its agents or third persons in or about Leased Premises from any cause arising during the Term;

provided, however, that nothing herein shall be construed as requiring Tenant to waive its rights against Landlord if such damage arose out of the gross negligence or willful misconduct of Landlord or its agents or representatives.

17. Landlord's Right of Entry. Landlord and its authorized agents or designees shall have the right to enter upon all portions of the Leased Premises at any reasonable time and for any reasonable legal or business purpose. Landlord and its authorized agents or designees shall have the right to conduct any testing or other procedures on or relating to the Leased Premises to verify or check the environmental condition of the Leased Premises and to verify Tenant's compliance with the terms and conditions of this Lease.

18. Holding Over. No holdover tenancy shall be permitted.

19. Security Deposit. Intentionally omitted.

20. Parking Area; Access to Leased Premises. In addition to the Leased Premises, Tenant shall have the non-exclusive right to use that area of the Property historically used for parking for purposes of parking automobiles of its customers. Landlord grants to Tenant and its customers, invitees and permittees the right of ingress and egress on, over and across that portion of the Property that is not the Leased Premises for purposes of accessing the Leased Premises. Tenant shall not, and shall be obligated to take such actions as necessary to cause its customers, employees or invitees to not block access of customers to and from the filling station or the convenience store located on the Property.

21. Signage. During the Term of this Lease, Tenant shall be entitled to maintain any sign on the Property that exists as of the date of this Lease. Tenant also may post signs, messages or pictures on the building or any windows located at the Leased Premises that notify customers of any new location of Tenant's business.

22. Default and Remedies.

22.1 Default by Tenant. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Tenant:

a. The failure by Tenant to comply with the environmental provisions contained in Section 11 above and the provisions of Section 12 above relating to use of and reconciliations of the waste oil tank, in any manner whatsoever.

b. The failure by Tenant to make any payment required to be made by Tenant hereunder within five (5) days after such payment is originally due.

c. The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, other than described in Section 22.1.b above, where such failure shall continue for a period of fifteen (15) days after written notice thereof from Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than fifteen (15) days are reasonably required for its cure, then

Tenant shall not be deemed to be in default if Tenant commenced such cure within said fifteen (15) day period and thereafter diligently prosecutes such cure to completion.

22.2 Landlord's Remedies. Landlord shall have the following remedies if Tenant commits a default. These remedies are not exclusive; they are cumulative in addition to any remedies now or later allowed by law.

a. Landlord may continue this Lease in full force and effect, and the Lease will continue in effect as long as Landlord does not terminate Tenant's right to possession, and Landlord shall have the right to collect any payment when due.

b. In the event of any default by Tenant under the provisions of this Article 22, Landlord can elect to terminate Tenant's right to possession of the Leased Premises. No act by Landlord other than declaring a forfeiture of the Lease or the taking possession of the Leased Premises for its own account shall terminate this Lease. Acts of maintenance, efforts to relet the Leased Premises, or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Lease, shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to recover from Tenant:

(1) Any payments due to the Landlord; and

(2) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's default.

22.3 Default by Landlord. In the event of any alleged default in the obligation of Landlord under this Lease, Tenant will deliver to Landlord written notice and Landlord will have fifteen (15) days following receipt of such notice to cure such alleged default or, in the event the alleged default cannot reasonably be cured within a fifteen (15) day period, to commence action to cure such alleged default within said fifteen (15) day period and diligently pursue the remedy to completion. If Landlord's default is not cured within the time period set forth in this Section 22.3, then Tenant's sole remedy shall be to terminate this Lease.

23. Subordination / Attornment /Estoppel.

23.1 Subordination. This Lease and Tenant's rights hereunder are subject and subordinate, and Landlord shall have the right to subordinate this Lease, to any ground or underlying lease, or any mortgage, indenture, deed of trust or other lien or encumbrance, together with any renewals, extensions, modifications, consolidations and replacements thereof, now or hereafter existing, affecting or placed, charged or enforced against the Leased Premises or any interest of Landlord, or Landlord's interest in this Lease, except to the extent that any such instrument expressly provides that this Lease shall be superior to such instrument. This provision will be self-operative and no further instrument or subordination will be required in order to effect it. Nevertheless, Tenant will execute, acknowledge and deliver to Landlord at any time, or from time to time, upon demand by Landlord, such documents as may be requested by Landlord, or by any ground or underlying lessor or any mortgagee or subsequent mortgagee, to confirm or effect this subordination, subject to the provisions of this Section 23.1. If Tenant is obligated to

and fails or refuses to execute, acknowledge and deliver any such document within ten (10) days after written demand, Landlord, its successors or assigns will be entitled to execute, acknowledge and deliver any and all such documents for and on behalf of Tenant as attorney-in-fact for Tenant. Tenant, by this Section 23.1, constitutes and irrevocably appoints Landlord, its successors and assigns as Tenant's attorney-in-fact to execute, acknowledge and deliver any and all documents described in this Section 23.1 for and on behalf of Tenant as provided for herein.

23.2 Attornment. If Landlord's interest in the Leased Premises is acquired by any ground lessor, beneficiary under a deed of trust, mortgagee or purchaser (whether at a foreclosure sale or otherwise), Tenant shall attorn to the transferee of or successor to Landlord's interest in the Leased Premises and recognize such transferee or successor as Landlord under this Lease. Tenant waives the protection of any statute or rule of law which gives or purports to give Tenant any right to terminate this Lease or surrender possession of the Property upon the transfer of Landlord's interest. Upon request by such successor in interest and without cost to Landlord or such successor in interest, Tenant will execute, acknowledge or deliver an instrument or instruments confirming this attornment. If Tenant fails or refuses to execute, acknowledge or deliver any such document within ten (10) days after written demand, such successor in interest will be entitled to execute, acknowledge and deliver any and all such documents for and on behalf of Tenant as attorney-in-fact for Tenant. Tenant, by this Section 23.2, constitutes and irrevocably appoints Landlord, its successors and assigns as Tenant's attorney-in-fact to execute, acknowledge and deliver any and all documents described in this Section 23.2 for and on behalf of Tenant as provided for herein.

24. Estoppel Certificates. Tenant agrees at any time and from time to time within ten (10) days after Notice (as provided for in this Lease) to execute, acknowledge and deliver to Landlord a statement in writing, in form and substance acceptable to Landlord, verifying that this Lease is unmodified and in full force and effect (or if there have been modifications that the Lease is in full force and effect as modified and stating the modifications) and whether or not there exists any default in the performance of any term, condition or covenant of this Lease and, if so, specifying each such default, it being intended that any such statement delivered pursuant to this Section 24 may be relied upon by Landlord and by any mortgagees, prospective purchasers or prospective mortgagees of Landlord's interest in all or any part of the Leased Premises.

25. Notices. All notices, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments or designations under this Lease by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered in person or if sent by certified mail, return receipt requested, postage prepaid, with a copy by facsimile to the numbers set forth below, addressed as follows:

If to Tenant: Pennettas One Stop Auto Repair, Inc.
9205 Ralston Road
Arvada, CO 80002

If to Landlord: Arvada Urban Renewal Authority
5601 Olde Wadsworth Boulevard, Suite 210
Arvada, CO 80002

Attn: Maureen Phair

with a copy to: Burns, Figa & Will P.C.
6400 S. Fiddlers Green Circle, Suite 1000
Englewood, CO 80111
Attn: Scott Clark

and to such other place as the parties may from time to time designate by Notice. Notice sent in compliance with this Article 26 shall be deemed given on the third day next succeeding the day on which it is sent.

26. No Waiver by Landlord. The waiver by Landlord of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition for any subsequent breach of the same or any other term, covenant, or condition herein contained.

27. Remedies Cumulative. All the rights and remedies herein given to the Landlord for the recovery of the Leased Premises because of the default by the Tenant in the payment of any sums which may be payable pursuant to the terms of this Lease, or upon the breach of any of the terms thereof, or the right to re-enter and take possession of the Leased Premises upon the happening of any of the defaults or breaches of any of said covenants, or the right to maintain any action for Rent or damages and all other rights and remedies allowed at law or in equity, are hereby reserved and conferred upon the Landlord as distinct, separate and cumulative remedies, and no one of them, whether exercised by the Landlord or not, shall be deemed to be in exclusion of any of the others.

28. Miscellaneous Provisions.

28.1 No Construction Against Drafting Party. Landlord and Tenant acknowledge that each of them had an opportunity to review this Lease, and either had their counsel review this Lease or had the opportunity to have counsel review this Lease but chose not to do so, and that this Lease will not be construed against Landlord merely because Landlord's counsel has prepared it.

28.2 No Recordation. This Lease shall not be recorded.

28.3 No Merger. The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant and Landlord or the termination of this Lease on account of Tenant's default will not work a merger, and will, at Landlord's option operate as an assignment to Landlord of all or any subleases or subtenancies. Landlord's option under this Section will be exercised by notice to Tenant and all known sublessees or subtenants in the Leased Premises or any part of the Leased Premises.

28.4 Attorneys' Fees. In any civil action brought to enforce the provisions of the Lease, the party in whose favor a judgment or decree has been rendered shall be awarded reasonable court costs and expenses, including attorneys' fees, from the non-prevailing party.

28.5 Gender. Whenever the singular number is used in this Lease and when required by the context, the same shall include the plural, and the masculine gender shall include feminine and neuter genders, and the word "person" shall include corporation, firm, partnership or association.

28.6 Titles and Headings. The marginal headings or titles to the Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part of this Lease.

28.7 Entire Agreement. This instrument contains all of the agreements and conditions made between the parties to this Lease and may not be modified orally or in any other manner than by an agreement in writing signed by all the parties to this Lease, or their respective successors in interest.

28.8 Binding Effect. The terms and provisions of this Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and assigns of Landlord and Tenant.

28.9 Invalidity of Provisions. If any provision of this Lease shall at any time be deemed to be invalid or illegal by the entry of a final judgment from a court of competent jurisdiction, which judgment is not subject to appeal, then, in that event, this Lease shall continue in full force and effect with respect to the remaining provisions of the Lease as if the invalidated provision had not been contained herein.

28.10 Governing Law. The Lease shall be construed and governed by the applicable laws of the state of Colorado.

IN WITNESS WHEREOF, Landlord and Tenant have signed and sealed this Lease on the day and year first above written.

LANDLORD:

ARVADA URBAN RENEWAL AUTHORITY, a Colorado Urban Renewal Authority

By: _____
Maureen Phair, Executive Director

Date: 2-25-20

TENANT:

PENNETTAS ONE STOP AUTO REPAIR INC., a Colorado Corporation

By: _____
Jace Pennetta, President

Date: 3/25/20

EXHIBIT A
TO LEASE AGREEMENT

Special Warranty Deed for the Property

RESOLUTION AR-20-03

A RESOLUTION OF INTENT TO USE BOND PROCEEDS IN THE RALSTON FIELDS URBAN RENEWAL AREA

WHEREAS, the Arvada Urban Renewal Authority ("AURA") is a duly constituted urban renewal authority created pursuant to C.R.S. § 31-25-101, *et seq*.;

WHEREAS, AURA is carrying out the Ralston Fields Urban Renewal Plan, which was adopted by ordinance and duly enacted on or about October 13, 2003 (the "Plan");

WHEREAS, the Plan authorizes the Authority to acquire real property within the Plan boundaries, to alleviate blight, and to correct deteriorated structures, defective street layouts, and faulty lot layouts;

WHEREAS, one such property within the Plan area is a gas station with an address of 9205 W. 58th Avenue (the "Subject Property");

WHEREAS, AURA has the opportunity to acquire the Subject Property to further the public purpose of redevelopment and blight elimination in accordance with the Urban Renewal Law, C.R.S. § 31-25-101 *et seq*.;

WHEREAS, AURA anticipates a bond issuance in the summer or fall of 2020 to finance capital improvements within the Plan area;

WHEREAS, time is of the essence for the purchase of the Subject Property from the willing seller at a reasonable, fair market value price;

WHEREAS, AURA has a sufficient fund balance on hand to purchase the Subject Property but, because such purchase is a capital improvement within the Plan area, intends to reimburse the Plan area fund balance for the purchase price of the Subject Property with bond proceeds when they become available; and

WHEREAS, AURA wishes to document its intent to use anticipated bond proceeds for the purchase of the Subject Property while also acting in a timely fashion to complete the purchase transaction.

NOW, THEREFORE, BE IT RESOLVED BY THE ARVADA URBAN RENEWAL AUTHORITY, ARVADA, COLORADO:

Section 1. AURA declares its intent to move forward with the purchase of the Subject Property, to complete the purchase in a timely fashion using the Plan area fund balance, and to reimburse the Plan area fund balance in the amount of the purchase price from the anticipated bond proceeds when they become available.

Section 2. The Executive Director is directed and authorized to take appropriate steps to proceed with both the purchase of the Subject Proeprty and with the bond issuance to finance capital improvements within the Plan area.

APPROVED AND ADOPTED this_____day of _____, 2020

_____
Fred Jacobsen, Chair

ATTEST:

_____
Maureen Phair, Executive Director

APPROVED AS TO FORM:

_____
Corey Y. Hoffmann, Legal Counsel

AURA Flash Report

Balances as of January 31, 2020

FOR DISCUSSION PURPOSES ONLY

UNOFFICIAL & UNAUDITED

CASH & INVESTMENTS

		Account Balance	Hold	Net to AURA
Wells Fargo Bank				
	General - Checking (0193)	258,438	-	258,438
	Ralston Fields - Checking (4061)	3,756,425	-	3,756,425
	Ralston Fields Investments (9353)	356,892	-	356,892
	Olde Town Station - Checking (0895)	730,813	-	730,813
	Village Commons - Checking (0887)	713,357	-	713,357
			% change from prior period	
First Bank of Arvada				
1.50%	CD Maturity 10/11/2022 (4548)	328,528	0.00%	328,528
Commerce Bank				
2.55%	Ralston Fields Fund 09/14/20 (9671)	1,047,742	0.21%	1,047,742
2.20%	General Fund CD 04/14/20 (9936)	1,058,389	0.19%	1,058,389
CSIP				
1.74%	Ralston Fields Fund 03/10/2020 (9003)	1,046,399	0.00%	1,046,399
			NET CASH AVAILABLE TO AURA	**9,296,982**

REAL ESTATE OWNED

Date Acq.	Name	Address	Purchase Price	Debt/Discount	Net Value
2013	TOD Parcel	5580 Vance Street	660,000	659,990	10
2015	Ralston Road Café	9543 Ralston Road	800,000	500,000	300,000
2016	Arvada Square	9465 Ralston Road	4,963,065	4,963,064	1
2017	TOD Parcel - Gun Club		10	0	10
2019	TOD Parcel - RTD		10	0	10
			NET VALUE OF REAL ESTATE OWNED		**300,031**

LONG TERM RECEIVABLES

Borrower	Current Loan Balance	Credit	Net Receivable
Loftus Development (Ralston Rd Café Demo)	300,000	0	300,000
	NET LONG TERM RECEIVABLES		**$300,000**

LONG TERM PAYABLES

Loan	Loan Start Date / Term Date	Original Loan Balance	Payments	Current Loan Balance
Arvada Square	June 1, 2016 / June 1, 2028	5,000,000	250,000	4,750,000
Brooklyn's	January 1, 2016 / January 1, 2030	2,745,000	923,613	1,821,387
		NET LONG TERM PAYABLES		**$6,571,387**

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GENERAL FUND SOURCES OF GROSS INCOME As of January 31, 2020

	2020 Budget	Actual Collected YTD
Ralston Fields	1,385,000	158,841
Olde Town Station	305,000	-
Jefferson Center	155,000	-
Northwest Arvada	413,000	-
Village Commons	184,564	16,997
Interest & Misc.	40,000	2,794
TOTAL SOURCES OF INCOME	**$2,482,564**	**$178,632**

GENERAL FUND EXPENSES As of January 31, 2020

	2020 Budget	Expended YTD
Operating Expenses	574,060	29,101
TOTAL EXPENSES	**$574,060**	**$29,101**