ARVADA URBAN RENEWAL AUTHORITY

PUBLIC NOTICE OF SPECIAL MEETING

The Arvada Urban Renewal Authority (AURA) Board of Commissioners will hold a **SPECIAL MEETING** at **2:00 p.m**. on **Wednesday, March 18, 2020** at 5601 Olde Wadsworth Boulevard, Ste. 210, Arvada, Colorado 80002

Agenda information is attached.

Carrie Briscoe

Carrie Briscoe
AURA Coordinator/Recording Secretary

POSTED: March 13, 2020

ARVADA URBAN RENEWAL AUTHORITY

ARVADA URBAN RENEWAL AUTHORITY
Board of Commissioners SPECIAL Meeting
5601 Olde Wadsworth Boulevard, Ste. 210, Arvada, Colorado
2:00 P.M., Wednesday, March 18, 2020

AGENDA

SPECIAL MEETING – 2:00 P.M.

1. Call to Order

2. Moment of Reflection and Pledge of Allegiance

3. Roll Call of Members

4. Study Session
   A. The Cottages at Ralston Fields Presentation – Tim Masters and Jim Allen – TJC Limited

5. Old Business

   A. RESOLUTION AR-20-04: A Resolution of the Arvada Urban Renewal Authority Approving the Redevelopment Agreement between Edgemark Development, LLC and the Arvada Urban Renewal Authority

   B. RESOLUTION AR-20-05: A Resolution of the Arvada Urban Renewal Authority (The "Authority") Approving the Assignment and Assumption of the Purchase and Sale Agreement between Mile High Development, LLC, IRG Arvada, LLC, and the Authority

6. New Business - None

7. Executive Session
   A. Instructions to Negotiators, Pursuant to CRS 24-6-402(4)(e) related to the Olde Town Residences and Commercial Project

8. Adjournment

ARVADA URBAN RENEWAL AUTHORITY
AGENDA INFORMATION SHEET

Agenda No.:	5A
Meeting Date:	March 18, 2020
Title:	Development Agreement between Arvada Urban Renewal Authority and Edgemark Development, LLC (Tabernacle Church)

ACTION PROPOSED: Approve the Development Agreement between AURA and Edgemark Development, LLC.

HISTORY OF THE SITE: The Tabernacle Church, located on the SE corner of Yukon and 57th Streets was constructed in 1915 as the Arvada Presbyterian Church, the south wing was added in 1952. Since then the building served as an Elks Lodge, daycare, art gallery and more recently as The Way, The Truth, The Life Tabernacle Church. The building is now vacant.

INFORMATION ABOUT THE ITEM: Edgemark Development has had the property under contract since June 2019 and has been working to find a development concept that works within the constraints of the building, the Olde Town market, and current construction costs. In December, Edgemark approached staff with the idea of demolishing the structure and developing housing on the site. The AURA Board decided they would not participate in the demolition of the historic structure but if the developer could save the building, they would, consider financial assistance.

The Development Agreement includes the following:

- Remodel the building while honoring and preserving the relevant historic features
- Construct an addition on the east side of the building of approximately 4,000- 5,000 square feet
- Commercial tenants with an emphasis on retail
- Bury the overhead power lines along 57th from Yukon and along the alley
- Construct the streetscape that exists on Olde Wadsworth along the perimeter of the project
- Construction must commence no later than May 31, 2021 the Development Agreement terminates
- AURA will pay the developer an initial contribution of $300,000 no later than 30 days after commencement of construction
- AURA will rebate 100% of the sales tax increment generated by the project up to $1.2 million
- Development Agreement terminates upon payment of the $1.2 million or the expiration of the Olde Town Urban Renewal Area on 2/4/2034, whichever occurs first

FINANCIAL IMPACT: The project is estimated to produce $3,235,442 in increment over the span of the urban renewal term, which expires in 2034. That number is comprised of $1,550,196 in property tax TIF and $1,685,246 in sales tax TIF. AURA's financial contribution is $1.5 million, the project will produce an excess of $1,735,442 which will be allocated to AURA's Olde Town Station fund.

In addition to participating in the redevelopment of the Tabernacle Church, AURA is taking the opportunity to underground the overhead power lines while the area is under construction. The developer will bury the lines and AURA will reimburse them, the estimated cost to bury the lines is $500 a linear foot for approximately 664 feet and about $350,000. This includes the entire alley from Grandview to 57th and crossing both Yukon and 57th Streets.

AURA's primary mechanism for financial participation is through pledging $1.2 million in sales tax increment produced by the development to finance the construction of the public improvements. AURA is also providing an initial contribution of $300,000 to the developer along with $350,000 to bury the power lines from the Olde Town Station fund.

Other than those funds, no other AURA funds will be allocated to this project. All monies rebated to the developer are generated by the development. If the developer does not produce the revenue projected, AURA is not obligated to fill the gap with other revenue. The financial risk of the TIF rebate is on the developer.

Summary:

$3,235,442	Total TIF produced by project
1,500,000	AURA participation ($300,000 up front, balance rebated from sales taxes produced)
350,000	Approximate cost to bury the power lines
$1,385,442	Excess funds produced by the project to AURA

Edgemark Development is investing $4,949,000 in Arvada to redevelop the former Tabernacle Church or $3.30 for every dollar invested by AURA. The private sector is investing 70% into the project compared to the 30% by AURA, which is in line with the increased costs associated with the rehabilitation of a historic structure.

AURA's financial consultant, Economic and Planning Systems, reviewed the developer's proforma and assumptions and confirmed all the numbers including the development gap. The analysis showed the project returns were lower than the industry standards.

COMMUNITY BENEFIT: This development will save and restore a structure that was built in 1915 and is contributing to the Olde Town Historic District. In addition to the historical renovation, the project will bring new commercial activity to Yukon Street, add new restaurants to the thriving Olde Town scene, generate both sales and property taxes for the first time in over a century, and finally, it will create new jobs.

STAFF RECOMMENDATION: Staff recommends approving the Development Agreement between AURA and Edgemark Development, LLC.

SUGGESTED MOTION: I move to approve Resolution AR-20-04: A Resolution of the Arvada Urban Renewal Authority Approving the Redevelopment Agreement between Edgemark Development, LLC and the Arvada Urban Renewal Authority

RESOLUTION AR-20-04

A RESOLUTION OF THE ARVADA URBAN RENEWAL AUTHORITY APPROVING THE REDEVELOPMENT AGREEMENT BETWEEN EDGEMARK DEVELOPMENT, LLC AND THE ARVADA URBAN RENEWAL AUTHORITY

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

Section 1. The Authority hereby approves the Redevelopment Agreement between Edgemark Development, LLC and the Authority, attached hereto as **Exhibit A**, and incorporated herein by this reference, and the Chairman of the Authority is hereby authorized to execute the Agreement on behalf of the Authority.

DATED this ___ of _____, 2020.

_____
Fred Jacobsen

_____
Recording Secretary

APPROVED AS TO FORM

_____
Corey Y. Hoffmann, Legal Counsel

REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT (this "**Agreement**") dated as of _____, 2020, is made by and between ARVADA URBAN RENEWAL AUTHORITY, an urban renewal authority and a body corporate and politic of the State of Colorado (the "**Authority**"), and EDGEMARK DEVELOPMENT LLC, a Colorado limited liability company ("**Developer**"). The Authority and Developer are sometimes collectively called the "**Parties**," and individually, a "**Party**."

RECITALS

All capitalized terms used, but not defined, in these Recitals, have the meanings ascribed to them in this Agreement. The Recitals are incorporated to this Agreement as though fully set forth in the body of this Agreement.

WHEREAS, Developer seeks to redevelop the property generally known as the former Tabernacle Church Property, located at 5690 Yukon Street at the Southeast corner of Yukon Street and 57th Avenue, Arvada, CO, as more particularly described on **Exhibit A** attached hereto (the "**Redevelopment Property**"), and to construct certain Eligible Improvements (hereinafter defined) within the Redevelopment Property (the "**Project**");

WHEREAS, the Authority has determined that the Project is necessary in order to remediate blight, and is consistent with and in furtherance of the purposes of the Authority and the Olde Town Station Urban Renewal Plan;

WHEREAS, in order to facilitate the acquisition, construction and installation of the Project, the Authority seeks to reimburse Developer for the cost of certain Eligible Improvements up to a maximum aggregate amount of One Million, Five Hundred Thousand Dollars ($1,500,000.00) (as further defined below, the "**Reimbursement Amount**") as set forth in this Agreement through: (a) utilization of sales tax increment, (b) a cash contribution upon commencement of the Project, and (c) the Authority separately contracting for a utility undergrounding project from Yukon Street through the alley adjacent to the Redevelopment Property;

WHEREAS, pursuant to the Colorado Urban Renewal Law , C.R.S. § 31-25-101, *et seq.*, and the Urban Renewal Plan, the Authority may finance undertakings pursuant to the Plan by any method authorized under the Act or any other applicable law, including, without limitation, issuance of notes, bonds and other obligations in an amount sufficient to finance all or part of the Plan; borrowing of funds and creation of indebtedness; advancement of reimbursement agreements; agreements with public or private entities; and loans, advances and grants from any other available sources; and the Plan authorizes the Authority to pay the principal and interest on any such indebtedness from property and sales tax increments, or any other funds, revenues, assets or properties legally available to the Authority;

WHEREAS, the Parties have agreed to enter into this Agreement for the redevelopment of the Redevelopment Property in accordance with the Urban Renewal Plan and the Act.

NOW, THEREFORE, in consideration of the mutual covenants and promises of the Parties contained in this Agreement, and other valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree to the terms and conditions in this Agreement.

AGREEMENT

1. **DEFINITIONS**. In this Agreement, unless a different meaning clearly appears from the context, capitalized terms mean:

"**Act**" means the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31 of the Colorado Revised Statutes, as amended.

"**Agreement**" means this Redevelopment Agreement, as it may be amended or supplemented in writing. References to Sections or Exhibits are to this Agreement unless otherwise qualified. All exhibits attached to and referenced in this Agreement are hereby incorporated into this Agreement.

"**Authority**" means Arvada Urban Renewal Authority, an urban renewal authority and a body corporate and politic of the State of Colorado which has been duly created, organized, established and authorized by the City to transact business and exercise its powers as an urban renewal authority, all under and pursuant to the Act, and its successors and assigns.

"**City**" means the City of Arvada, Colorado, a home rule municipality and political subdivision of the State of Colorado organized and existing under a home rule charter pursuant to Article XX of the Constitution of the State of Colorado.

"**Commencement of Construction**" means the commencement by Developer of actual physical work on the Project, pursuant to a permit issued by the City.

"**Default**" or "**Event of Default**" means any of the events described in Section 15; provided, however, that such events will not give rise to any remedy until effect has been given to all grace periods, cure periods and periods of enforced delay provided for in this Agreement.

"**Developer**" means Edgemark Development LLC, a Colorado limited liability company, and any successors and assigns approved in accordance with this Agreement.

"**Effective Date**" means the date of this Agreement.

"**Eligible Costs**" means, collectively, the reasonable and customary expenditures for the acquisition, design, construction and installation of the Eligible Improvements, including, without limitation, reasonable and customary soft costs and expenses, as set forth in **Exhibit B** attached hereto, as it may be amended hereunder. Eligible Costs also includes all reasonable and customary costs and expenses related to the engineering and design work for the Eligible Improvements. The maximum amount of Eligible Costs to be paid or reimbursed pursuant to this Agreement shall be the Reimbursement Amount as defined in this Agreement.

"**Eligible Improvements**" means the improvements set forth on **Exhibit C**, attached hereto as amended in accordance with this Agreement.

"**Executive Director**" means the Executive Director of the Authority.

"**Party**" or "**Parties**" means one or both of the parties to this Agreement.

"**Pledged Revenues**" means the total aggregate principal amount of the Reimbursement Amount as defined in this Agreement, including specifically one hundred percent (100%) of the sales tax increment generated by the Redevelopment Property during the term of this Agreement.

"**Project**" means the redevelopment of the Redevelopment Property by performing the Eligible Improvements.

"**Redevelopment Property**" means the real property, located at 5690 Yukon Street, Arvada, Colorado, at the Southeast corner of Yukon Street and 57th Avenue, as more particularly described in **Exhibit A** attached hereto.

"**Reimbursement Amount**" means a maximum amount equal to One Million, Five Hundred Thousand Dollars ($1,500,000.00), which is the maximum amount that will be paid to Developer to reimburse Developer for Eligible Costs in accordance with the terms and provisions hereof.

"**Urban Renewal Plan**" or "**Plan**" means the Olde Town Station Urban Renewal Plan.

"**Utility Undergrounding Project**" means the performance of the work under a separate contract entered into by the Developer to cause utility lines to be buried underground from Yukon Street through the alley adjacent to the Redevelopment Property.

2. FINANCING AND CONSTRUCTION OF PROJECT.

2.1 Construction of Project. As set forth in Section 4, if Developer proceeds with the Project, then Developer shall be responsible for acquiring, constructing and installing the Eligible Improvements, and shall be responsible for compliance in all respects with the requirements of the City of Arvada, as imposed pursuant to the governmental approvals obtained from the City by Developer with respect to the Project.

2.2 Financing the Eligible Improvements. Developer shall be responsible for initially financing the costs and expenses in connection with the acquisition, construction and installation of the Eligible Improvements which financing may be provided by a financial institution or investor loaning the funds to the Developer and securing such loan with a deed of trust encumbering the Redevelopment Property, including, without limitation, all design costs, engineering costs and other soft costs incurred in connection therewith, except that the Authority shall pay to Developer the amount of Three Hundred Thousand Dollars ($300,000.00) (the "**Initial Contribution**") no later than thirty (30) days after Commencement of Construction.

3. CONDITIONS PRECEDENT TO PAYMENT OF REIMBURSEMENT AMOUNT.

3.1 Conditions Precedent. Unless waived in writing by the Executive Director, except for the payment of the Initial Contribution pursuant to Section 2.2 above and except for the obligation of the Authority to pay for the Utility Undergrounding Project, the following

conditions precedent shall be satisfied prior to Developer receiving reimbursement for Eligible Costs from sales tax increment generated by the Project pursuant to the terms and provisions of this Agreement:

A. Developer shall have completed the Project, as evidenced by issuance of a certificate of occupancy by the City, building permit sign-off by the City, or other evidence of completion customarily used in the City to confirm completion of the Eligible Improvements; and

B. No Events of Default by Developer shall have occurred and be continuing under this Agreement, after expiration of all applicable grace, notice, and cure periods.

4. DEVELOPER.

4.1 Acquisition, Construction and Installation of Project. This Agreement shall not obligate Developer to proceed with the Project. If Developer proceeds with the Project, Developer shall be responsible for the financing, design, acquisition, construction and installation of the Eligible Improvements, subject to the provisions in this Agreement regarding reimbursement of Eligible Costs in accordance herewith, and except that the Authority shall pay to Developer the Initial Contribution no later than thirty (30) days after Commencement of Construction.

The design and construction of the Project shall comply in all material respects with all applicable codes and regulations of entities having jurisdiction, including any City requirements. In addition, the Project shall comply with the following minimum requirements:

A. The Project shall retain and preserve the relevant historic features as generally depicted on **Exhibit C**, attached hereto and incorporated herein by this reference, and shall provide activation of the alley adjacent to the Redevelopment Property through the inclusion of architectural design features and windows and access points to the alley;

B. The Project shall include the construction of an addition on the east side of the current structure located on the Redevelopment Property of approximately four thousand (4,000) to five thousand (5,000) square feet;

C. The Project shall include construction of a streetscape substantially similar to the streetscape on Olde Wadsworth along the perimeter of the Project as depicted on **Exhibit C**; and

D. The tenants in the Project shall be primarily sales tax generating commercial tenants, with an emphasis on restaurants and other retail businesses.

Notwithstanding any provisions to the contrary contained herein, Developer shall be entitled to reimbursement for Eligible Costs incurred in connection with an Eligible Improvement only if such Eligible Improvement complies with the above requirements.

If Developer proceeds with the Project, Developer will pay or cause to be paid all required fees and costs, including those imposed by the City, in connection with the design, construction, applicable warranty requirements, and use of the Project.

The Parties agree that if Commencement of Construction by Developer of the Project has not occurred by May 31, 2021, this shall not constitute an Event of Default hereunder, but that the Authority shall have the right to terminate this Agreement as set forth in Section 17 prior to the date Commencement of Construction occurs.

4.2 Undergrounding of Power Lines. Subject to the reimbursement provisions set forth in Section 5.3 below, Developer shall cause the undergrounding of the power lines along 57th Avenue from Yukon Street through the alley, which is approximately 260 lineal feet of undergrounding; provided, however, that the final scope of work shall be agreed upon by the Authority and the Developer prior to commencement of the Utility Undergrounding Project. The Authority shall obtain all easements required in order to perform the required Utility Undergrounding Project and shall pay all deposits required by any utility company for such work.

4.3 Access to Property. Subject to the terms and restrictions of any leases and/or other documents encumbering the Redevelopment Property, Developer will permit representatives of the Authority access to the Redevelopment Property and the Project at reasonable times during regular business hours and with prior notice as necessary for the purpose of carrying out or determining compliance with this Agreement and the Urban Renewal Plan. The Authority shall not interfere with the construction, operation, or use of the Redevelopment Property in connection with any such access, and shall comply with all laws, including, without limitation, OSHA requirements for entry onto a construction site.

4.4 [Reserved.]

4.5 Notification of Sale of Property. Developer shall provide written notice to the Authority of the sale, conveyance or assignment of all or any portion of the Redevelopment Property by Developer during the term of this Agreement, and any such sale, conveyance or assignment of the Redevelopment Property shall be subject to the provisions of Section 6 of this Agreement.

5. THE AUTHORITY.

5.1 Payment of Reimbursement Amount. Upon compliance with the conditions precedent set forth in Section 3.1 relating to the payment of the Reimbursement Amount the Authority agrees that it shall pay and reimburse Developer for Eligible Costs incurred in connection with the acquisition, construction and installation of Eligible Improvements in an amount equal to the Reimbursement Amount as follows:

A. The Authority shall pay to Developer the Initial Contribution of Three Hundred Thousand Dollars ($300,000.00) no later than thirty (30) days after Commencement of Construction; and

B. The Authority shall reimburse one hundred percent (100%) of the sales tax increment produced by the Project on a monthly basis in an amount up to One Million, Two Hundred Thousand Dollars ($1,200,000.00), commencing upon the first Certificate of Occupancy issued for the Project, and terminating upon the receipt by Developer of the amount of One Million, Two Hundred Thousand Dollars ($1,200,000.00), or the date of December 6, 2034, whichever first occurs, but subject to the provisions of Section 6.

5.2. Approval of Site Plan and Elevations. The Authority shall review and approve the site plan and elevations prior to Developer submitting the same to the City to assure that the Project is consistent with the provisions of this Agreement.

5.3 Undergrounding of Power Lines. The Authority shall reimburse Developer for the full cost of the undergrounding of the power lines along 57th Avenue from Yukon Street through the alley adjacent to the Redevelopment Property, in accordance with Section 4.2, such full costs including, without limitation, all deposits and/or fees payable to utility providers with respect to such work. In furtherance of the foregoing, the Authority shall pay directly to any utility provider all fees or costs for such utility provided to cause its utility lines to be buried underground. The Authority shall reimburse Developer for the undergrounding of the power lines upon submittal by Developer of a proof of certification by a licensed architect or engineer that the undergrounding of the power lines has been completed in accordance with Section 4.2 or pay the utility provider directly for such work. The Authority will have thirty (30) days after Developer has submitted such certification to provide written approval or disapproval. If the Authority notifies Developer in writing within such 30-day period that the Authority believes there is not sufficient documentation relating to the undergrounding costs that have been incurred by Developer, such portion of the undergrounding costs that are in dispute shall not become due and payable until Developer and Authority have resolved the dispute. The Parties agree to cooperate in good faith to resolve any such dispute within thirty (30) days after the Authority's written notice. Notwithstanding anything set forth herein to the contrary, if the work is approved by the applicable utility company, no further approval from the Authority shall be required.

5.4 No Election Required. The Parties acknowledge that according to the decision of the Colorado Court of Appeals in *Olson v. City of Golden*, 53 P.3d 747 (2002), an urban renewal authority is not a local government and therefore is not subject to the provisions of Article X, Section 20 of the Colorado Constitution. Accordingly, the Authority may enter into this Agreement with Developer, and agree to remit the Pledged Revenues to Developer to reimburse Developer for Eligible Costs in accordance with the provisions of this Agreement without electoral authorization, and such obligations are not subject to annual appropriation.

5.5 No Impairment. The Authority will not enter into any agreement or transaction that impairs the rights of the Parties, including without limitation, the right to receive and apply the Pledged Revenue in accordance with the terms and provisions of this Agreement.

6. ASSIGNMENT OF REIMBURSEMENT AMOUNT. Because of the unique nature of this Agreement, and the fact that the Authority and Developer are using the best available information to anticipate the performance of the Project under this Agreement, the Parties hereby agree that if Developer sells, conveys, or otherwise assigns the Property and the obligations of this Agreement to a third party during the term of this Agreement (collectively, the "**Future**

Conveyance"), other than an assignment to a single purpose entity established by Developer or its members, in which Developer and/or its members control such entity, to acquire the Redevelopment Property ("**Acquisition Party**") the Future Conveyance shall be subject to the following provisions:

A. The Parties agree that they have based the urban renewal assistance provided herein on a demonstrable gap that utilizes an unlevered Internal Rate of Return ("**IRR**") of a maximum of fifteen percent (15%). Therefore, in the event that a Future Conveyance occurs, Developer and the Authority shall engage in the analysis set forth in subsection B. of this Section 6.

B. Developer shall provide to the Authority its records showing the unlevered IRR as of the date of the proposed Future Conveyance. The Authority shall, at its sole discretion, determine to accept Developer's analysis of the IRR, or engage a third party to review Developer's analysis of the unlevered IRR. The Parties agree to meet in good faith, as necessary to determine the unlevered IRR as of the date of the proposed Future Conveyance.

C. Notwithstanding the provisions of Section 5.1, subsection B., if the unlevered IRR is in excess of fifteen percent (15%) as of the date of the proposed Future Conveyance, the Authority shall terminate the reimbursement of the sales tax increment produced by the Project that would otherwise be provided by Section 5.1, subsection B. of this Agreement.

D. If the unlevered IRR is fifteen percent (15%) or less as of the date of the proposed Future Conveyance, the Authority shall assign the sales tax increment reimbursement obligation to the assignee as a result of the Future Conveyance.

For the avoidance of doubt, an assignment of this Agreement by Developer to the Acquisition Party shall be permitted without the consent of the Authority, but with prior written notice to the Authority, and such assignment shall not constitute a Future Conveyance pursuant to this Section 6. Such Acquisition Party shall have all the rights and obligations of the "Developer" under this Agreement, as if the Acquisition Party were the original signatory hereto.

7. INSURANCE. On or prior to the Commencement of Construction, Developer will provide the Authority with certificates of insurance showing that Developer is carrying, or causing prime contractors to carry, at a minimum, the following insurance: General Liability, with a general aggregate of Two Million Dollars ($2,000,000); fire damage of One Hundred Thousand Dollars ($100,000); medical expense of Five Thousand Dollars ($5,000); products/completed operations aggregate of Two Million Dollars ($2,000,000); personal injury of One Million, Dollars ($1,000,000) with each occurrence up to One Million, Dollars ($1,000,000), with deductible of Ten Thousand Dollars ($10,000) per claim. Excess liability shall be covered in an amount equal to Two Million Dollars ($2,000,000) per occurrence, Five Million Dollars ($5,000,000) aggregate.

8. INDEMNIFICATION. From Commencement of Construction of the Project through Completion of Construction of the Project, and for any action arising during that time period,

Developer agrees to indemnify, defend and hold harmless the Authority, its officers, agents and employees, from and against all liability, claims, demands, and expenses, including fines imposed by any applicable state or federal regulatory agency, court costs and reasonable attorneys' fees, on account of any injury, loss, or damage to the extent arising out of any of the work to be performed by Developer, any subcontractor of Developer, or any officer, employee, agent, successor or assign of Developer under this Agreement, but only to the extent such injury, loss, or damage is caused by the negligent act or omission, error, professional error, mistake, accident, or other fault of Developer, any subcontractor of Developer, or any officer, employee, agent, successor or assign of Developer, but excluding any injuries, losses or damages which are due to the gross negligence, breach of contract or willful misconduct of the Authority, or any arising by, through, or under the Authority.

9. REPRESENTATIONS AND WARRANTIES.

9.1 Representations and Warranties by the Authority. The Authority represents and warrants as follows:

A. The Authority is a body corporate and politic of the State of Colorado, duly organized under the Act, and has the power to enter into and has taken all actions to date required to authorize this Agreement and to carry out its obligations.

B. The Authority knows of no litigation, proceeding, initiative, referendum, investigation or threat of any of the same contesting the powers of the Authority or its officials with respect to this Agreement that has not been disclosed in writing to Developer.

C. The execution and delivery of this Agreement and the documents required and the consummation of the transactions contemplated by this Agreement will not: (i) conflict with or contravene any law, order, rule or regulation applicable to the Authority or to its governing documents; (ii) result in the breach of any of the terms or provisions or constitute a default under any agreement or other instrument to which the Authority is a Party or by which it may be bound or affected; or (iii) permit any Party to terminate any such agreement or instruments or to accelerate the maturity of any indebtedness or other obligation of the Authority.

D. The Reimbursement Amount to be paid by the Authority to Developer is from available funds of the Authority, and is not subject to any other or prior pledge or encumbrance, and the Authority will not encumber the funds necessary to pay the Reimbursement Amount prior to full payment to Developer.

E. This Agreement constitutes a valid and binding obligation of the Authority, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity.

9.2 Representations and Warranties by Developer. Developer represents and warrants as follows:

A. Developer is a Colorado limited liability company in good standing and authorized to do business in the State of Colorado and has the power and the authority to enter into and perform in a timely manner its obligations under this Agreement.

B. The execution and delivery of this Agreement has been duly and validly authorized by all necessary action on its part to make this Agreement valid and binding upon Developer.

C. The execution and delivery of this Agreement will not: (i) conflict with or contravene any law, order, rule or regulation applicable to Developer or to Developer's governing documents; (ii) result in the breach of any of the terms or provisions or constitute a default under any agreement or other instrument to which Developer is a Party or by which it may be bound or affected; or (iii) permit any Party to terminate any such agreement or instruments or to accelerate the maturity of any indebtedness or other obligation of Developer.

D. Developer knows of no litigation, proceeding, initiative, referendum, or investigation or threat of any of the same contesting the powers of Developer or any of its principals or officials with respect to this Agreement that has not been disclosed in writing to the Authority.

E. This Agreement constitutes a valid and binding obligation of Developer, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity.

10. TERM. The term of this Agreement is the period commencing on the Effective Date and terminating on the date that the Reimbursement Amount is paid in full by the Authority from the Pledged Revenues; or December 6, 2034, whichever first occurs, but subject to the provisions of Section 6 in the event of a Future Conveyance; provided that the following provisions shall continue beyond the term of this Agreement: (i) any rights and remedies that a Party has for an Event of Default hereunder; (ii) any rights that a Party has to inspect books and records as set forth herein for a period of four (4) years following termination of this Agreement; and (iii) the indemnification provisions set forth in Section 8.

11. CONFLICTS OF INTEREST. None of the following will have any personal interest, direct or indirect, in this Agreement: a member of the governing body of the Authority or the City, an employee of the Authority or of the City who exercises responsibility concerning the Urban Renewal Plan, or an individual or firm retained by the City or the Authority who has performed consulting services to the Authority or the City in connection with the Urban Renewal Plan or this Agreement. None of the above persons or entities will participate in any decision relating to the Agreement that affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested.

12. ANTI-DISCRIMINATION. Developer, for itself and its successors and assigns, agrees that in the construction of the Eligible Improvements and in the use and occupancy of the Redevelopment Property and the Eligible Improvements, Developer will not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, sexual orientation, disability, marital status, ancestry, or national origin.

13. NOTICES. Any notice required or permitted by this Agreement will be in writing and will be deemed to have been sufficiently given for all purposes if delivered in person, by prepaid overnight express mail or overnight courier service (in which case, such notice shall be deemed received on the next business day), by certified mail or registered mail, postage prepaid return-receipt requested (in which case, such notice shall be deemed received five (5) business days after being deposited in the U.S. Mail), by electronic or facsimile delivery (in which case, such notice will be deemed received on the same day if sent prior to 5:00 p.m. on a business day, or, otherwise, on the next business day), addressed to the Party to whom such notice is to be given (and such Party's additional persons to copy) at the address(es) set forth below or at such other or additional addresses as may be furnished in writing to the other Parties. The Parties may also agree on a different means of providing written notice hereunder.

To AURA:	Arvada Urban Renewal Authority 5601 Olde Wadsworth Boulevard, Suite 210 Arvada, Colorado 80002 Attention: Maureen Phair, Executive Director Email: mphair@arvada.org Fax: 720-898-7061
With a Copy To:	AURA Counsel Corey Y. Hoffmann Hoffmann, Parker, Wilson & Carberry, P.C. 511 16th Street, Suite 610 Denver, Colorado 80202 Email: cyh@hpwclaw.com Fax:
To the Developer:	Edgemark Development LLC 410 17th Street, Suite 1705 Denver, CO 80202 Attn: Richard M. Sapkin Email: rsapkin@edgemark.com; ametz@edgemark.com; & jdouglas@edgemark.com Fax: 303-571-4651 Phone: 303-571-4650
With a Copy To:	Fox Rothschild LLP 1225 17th Street, Suite 2200 Denver, CO 80202 Attn: Janet E. Perlstein, Esq.

Email: jperlstein@foxrothschild.com
Fax: 303-292-1300
Phone: 303-383-7623

14. DELAYS; FORCE MAJEURE. Subject to the following provisions, time is of the essence. Any delays in or failure of performance by any Party of its obligations under this Agreement shall be excused if such delays or failure are a result of acts of God, fires, floods, earthquake, strikes, labor disputes, regulation or order of civil or military authorities, or other causes, similar or dissimilar, which are beyond the control of such Party.

15. EVENTS OF DEFAULT. The following events shall constitute an Event of Default under this Agreement:

A. Any representation or warranty made by any Party in this Agreement proves to have been untrue or incomplete in any material respect when made and which untruth or incompletion has a material adverse effect upon the other Party.

B. So long as the Reimbursement Amount has not been paid in full, the Authority fails to remit the Pledged Revenues to Developer in accordance with the terms of this Agreement.

C. Except as otherwise provided in this Agreement, any Party fails in the performance of any other covenant in this Agreement and such default continues for thirty (30) days after written notice specifying such default and requiring the same to be remedied is given by a non-defaulting Party to the defaulting Party. If such default is not of a type which can be cured within such 30-day period and the defaulting Party gives written notice to the non-defaulting Party or Parties within such 30-day period that it is actively and diligently pursuing such cure, the defaulting Party shall have a reasonable period of time given the nature of the default following the end of such 30-day period to cure such default; provided that such defaulting Party is at all times within such additional time period actively and diligently pursuing such cure in good faith.

16. REMEDIES. Upon the occurrence and continuation of an Event of Default, the non-defaulting Party's remedies will be limited to the right to enforce the defaulting Party's obligations by an action for injunction, specific performance, or other appropriate equitable remedy or for mandamus, or by an action to collect and enforce payment of sums owing hereunder, and no other remedy, and no Party will be entitled to or claim damages for an Event of Default by the defaulting Party, including, without limitation, lost profits, economic damages, or actual, direct, incidental, consequential, punitive or exemplary damages. In the event of any litigation or other proceeding to enforce any of the terms, covenants or conditions of this Agreement, the prevailing Party in such litigation or other proceeding shall receive, as part of its judgment or award, its reasonable attorneys' fees and costs.

17. TERMINATION. This Agreement may be terminated by Developer at any time prior to the Commencement of Construction of the Project. In the event that Commencement of Construction of the Project by Developer has not occurred on or prior to May 31, 2021, then the Authority shall have the option to terminate this Agreement at any time prior to such Commencement of Construction.

In order to terminate this Agreement, a Party shall provide written notice of such termination to the other Party. Such termination shall be effective thirty (30) days after the date of such notice, without any further action by the Parties, unless prior to such time, the Parties are able to negotiate in good faith to reach an agreement to avoid such termination; provided, however, that, in the event of termination by the Authority due to Commencement of Construction not occurring on or before May 31, 2021, if Commencement of Construction occur prior to expiration of said 30-day notice period, such termination notice shall be void and this Agreement shall continue in full force and effect. Upon such termination, this Agreement shall be null and void and of no effect, and no action, claim or demand may be based on any term or provision of this Agreement, except as otherwise expressly set forth herein. In addition, the Parties agree to execute a mutual release or other instruments reasonably required to effectuate and give notice of such termination.

18. PAYMENT OF FEES AND EXPENSES. Each Party agrees to pay for its own fees, costs and expenses incurred by such Party in connection with the execution and delivery of this Agreement and related agreements and documents.

19. NONLIABILITY OF OFFICIALS, AGENTS, MEMBERS, AND EMPLOYEES. Except for willful or wanton actions or gross negligence, no trustee, board member, commissioner, official, employee, consultant, manager, member, shareholder, attorney or agent of any Party, nor any lender to any Party or to the Project, will be personally liable under the Agreement or in the event of any default or for any amount that may become due to any Party.

20. ASSIGNMENT. Except for an assignment to the Acquisition Party and a Future Conveyance, this Agreement shall not be assigned in whole or in part by any Party without the prior written consent of the other Party, and such assignment shall be subject to the provisions of Section 6 of this Agreement.

21. SECTION CAPTIONS. The captions of the Sections are set forth only for the convenience and reference of the Parties and are not intended in any way to define, limit, or describe the scope or intent of this Agreement.

22. ADDITIONAL DOCUMENTS OR ACTION.

22.1 The Parties agree to execute any additional documents or take any additional action, including, without limitation, estoppel documents requested or required by third parties, including, without limitation, lenders, tenants or potential purchasers, that is necessary to carry out this Agreement or is reasonably requested by any Party to confirm or clarify the intent of the provisions of this Agreement and to effectuate the agreements and the intent. Notwithstanding the foregoing, however, no Party shall be obligated to execute any additional document or take any additional action unless such document or action is reasonably acceptable to such Party.

22.2 If all or any portion of this Agreement, or other agreements approved in connection with this Agreement are asserted or determined to be invalid, illegal or are otherwise precluded, the Parties, within the scope of their powers and duties, will cooperate in the joint defense of such documents and, if such defense is unsuccessful, the Parties will use reasonable, diligent good faith efforts to amend, reform or replace such precluded items to assure, to the

extent legally permissible, that each Party substantially receives the benefits that it would have received under this Agreement.

22.3 The Executive Director shall have the authority to act on behalf of the Authority under this Agreement.

23. AMENDMENT. This Agreement may be amended only by an instrument in writing signed and delivered by the Parties.

24. WAIVER OF BREACH. A waiver by any Party to this Agreement of the breach of any term or provision of this Agreement must be in writing and will not operate or be construed as a waiver of any subsequent breach by any Party.

25. GOVERNING LAW. The laws of the State of Colorado govern this Agreement.

26. BINDING EFFECT. This Agreement will inure to the benefit of and be binding upon the Parties and their respective legal representatives, successors, heirs, and assigns, provided that nothing in this paragraph permits the assignment of this Agreement except as set forth in Sections 6 and 20.

27. EXECUTION IN COUNTERPARTS. This Agreement may be executed in several counterparts, each of which will be deemed an original and all of which will constitute but one and the same instrument.

28. LIMITED THIRD-PARTY BENEFICIARIES. Except as hereinafter provided, this Agreement is not intended and shall not be deemed to confer any rights on any person or entity not named as a Party to this Agreement; provided, however, that the City shall be deemed to be a third-party beneficiary under this Agreement to the extent that Developer or Authority have agreed to undertake certain actions for the benefit of the City.

29. NO PRESUMPTION. The Parties and their attorneys have had a full opportunity to review and participate in the drafting of the final form of this Agreement. Accordingly, this Agreement will be construed without regard to any presumption or other rule of construction against the Party causing the Agreement to be drafted.

30. SEVERABILITY. If any provision of this Agreement as applied to any Party or to any circumstance is adjudged by a court to be void or unenforceable, the same will in no way affect any other provision of this Agreement, the application of any such provision in any other circumstances or the validity, or enforceability of the Agreement as a whole.

31. DAYS. If the day for any performance or event provided for herein is a Saturday, a Sunday, a day on which national banks are not open for the regular transactions of business, or a legal holiday pursuant to Section 24-11-101(1), C.R.S., such day will be extended until the next day on which such banks and state offices are open for the transaction of business.

32. GOOD FAITH OF PARTIES. In the performance of this Agreement or in considering any requested approval, consent, acceptance, or extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously, or unreasonably

withhold, condition, or delay any approval, acceptance, or extension of time required or requested pursuant to this Agreement.

33. PARTIES NOT PARTNERS. Notwithstanding any language in this Agreement or any other agreement, representation, or warranty to the contrary, the Parties will not be deemed to be partners or joint venturers, and no Party is responsible for any debt or liability of any other Party.

34. NO WAIVER OF IMMUNITY. Nothing contained in this Agreement constitutes a waiver of sovereign immunity or governmental immunity by the Authority under applicable state law.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, this Agreement is executed by the Parties as of _____ __, 2020.

ARVADA URBAN RENEWAL AUTHORITY

ATTEST: _____
Fred Jacobsen, Chairperson

_____
Maureen Phair, Recording Secretary

DEVELOPER

EDGEMARK DEVELOPMENT LLC, a Colorado limited liability company

By:_____
Richard M. Sapkin, Manager

EXHIBIT A

LEGAL DESCRIPTION

Lots 24 through 27, Block 1 Reno Park,
County of Jefferson, State of Colorado

EXHIBIT B

ELIGIBLE COSTS

Summary of Selected Costs for Reimbursement

5690 Yukon Street, Arvada, Colorado

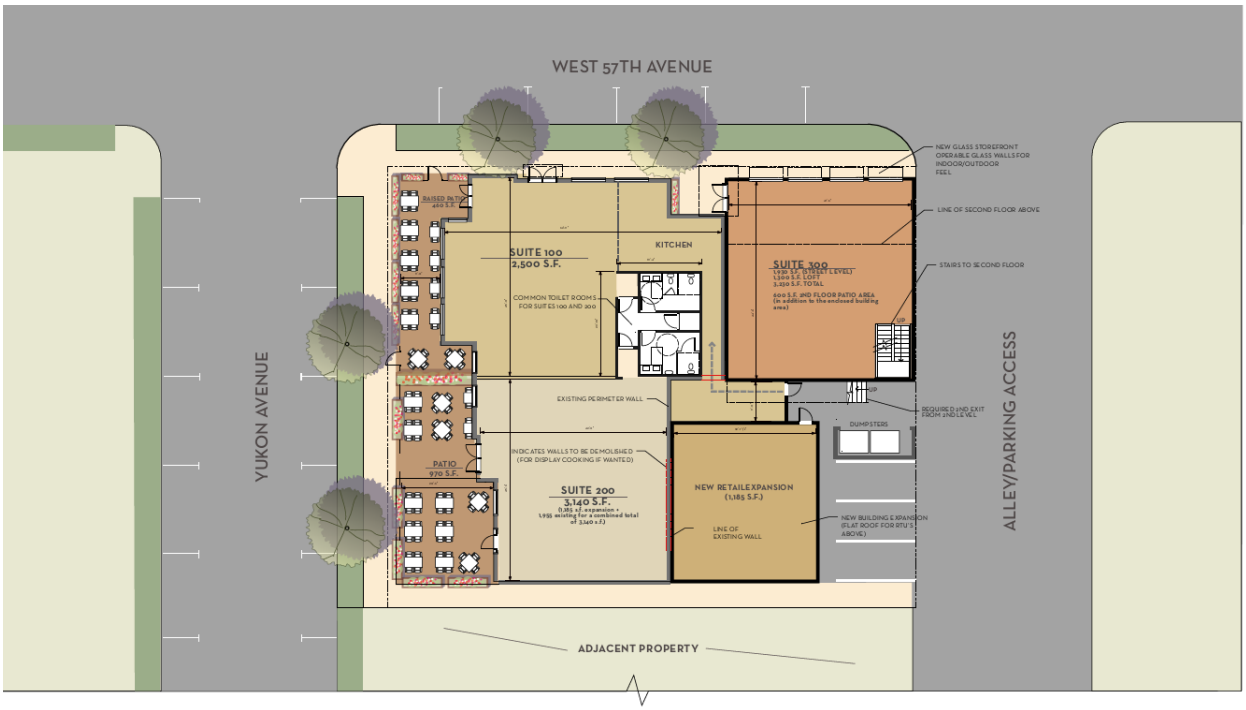
Environmental Remediation Allowance			42,000
Site Work ($20.00 x 12,360SF)			247,000
Dry Utilities (New Transformer & New Gas Service)			53,000
Building Core & Shell			
Interior Demolition		67,000	
ADA Access (if required)		121,000	
Interior Code Compliance		135,000	
Structural Steel (Structural Integrity)		139,000	
Storefront / Windows		102,000	
Plumbing / New Sewer Line		113,000	
Electrical		62,000	
HVAC		126,000	
New Structural Floor		185,000	
New Roof Structure		163,000	
	s/t	1,213,000	
			1,213,000
Architectural			110,000
Engineering			50,000
Total Costs for Reimbursement			**1,715,000**

Total Estimated Redevelopment Project Costs

Property Acquisition	1,300,000
Hard Costs	2,455,000
Tap Fee (new 2" service less existing credit)	223,000
Soft Costs	953,000
Total Estimated Redevelopment Project Costs	**4,931,000**

EXHIBIT C

ELIGIBLE IMPROVEMENTS



ARVADA URBAN RENEWAL AUTHORITY
AGENDA INFORMATION SHEET

Agenda No.: 5B

Meeting Date: March 18, 2020

Titles: Assignment and Assumption of Purchase and Sales Agreement between Arvada Urban Renewal Authority, Mile High Development and IRG for the Walmart Outparcel

Purchase and Sales Agreement between IRG and Mile High Development

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ACTION PROPOSED: Approval of the Assignment and Assumption of Purchase and Sales Agreement between Arvada Urban Renewal Authority, Mile High Development and IRG.

HISTORY OF THE SITE: IRG purchased the former Arvada Plaza shopping center in 2007 for the purposes of redevelopment. IRG sold ten acres to Walmart in 2017, sold a parcel for the Autozone, and kept a two acre parcel for future development. Since Walmart opened, IRG has been marketing the remaining parcel for commercial development.

IRG allowed Walmart to place a covenant on the remaining two acres that restricts the uses to commercial only, with residential allowed. It also restricts any business that would compete with Walmart.

Directly to the northeast of the site is a 1.2 acre parcel owned by the City that houses the former water treatment plant turned storage space for the City. The parcel is considered surplus and the City intends contribute the land to AURA for an affordable housing project. AURA wants to combine the two parcels to accommodate an affordable project.

INFORMATION ABOUT THE ITEM: There are two companion documents for the Board's consideration regarding the purchase of the "Walmart Outparcel". *A Purchase and Sale Agreement* between IRG and Mile High Development (MHD) for the purchase of the 1.9 acre site; and the *Assignment and Assumption of Purchase and Sales Agreement* between AURA, MHD and IRG.

Mile High Development (MHD) intends to develop a 100 unit affordable housing project on the City owned parcel with resident parking located on the IRG parcel. MHD will need to secure tax credits from CHFA in order to help finance the development. MHD must show that they control the two parcels of land prior to applying to CHFA for the tax credits.

MHD and IRG are entering into a Purchase and Sales Agreement for the 1.9 acre parcel for $1 million. MHD needs to secure the tax credits from CHFA prior to purchasing the property. It is not uncommon for a tax credit application to take two or three rounds/years before it receives CHFA's award. IRG will delay the closing of the property through one round of CHFA awards. If

CHFA awards the project on the first round, MHD will close on the property. If CHFA does not award the project on the first round, then AURA will take assignment and assumption of the purchase and sale agreement between MHD and IRG and buy the property for the terms outlined in the agreement. If CHFA has not made the award by March 1, 2020, AURA agrees to purchase the property no later that date.

Summary: Once CHFA's review period has passed and the property has been found acceptable, either MHD or AURA will be obligated to purchase the Property from IRG, and the only real question is whether MHD or AURA will be the buyer.

FINANCIAL IMPACT: AURA will loan MHD $50,000 in earnest money to be held in escrow, the amount will be credited against the purchase price if AURA buys the property. If MHD purchases the property, they will repay AURA at closing.

A $100 per day carrying cost will be added beginning January 1, 2021 and payable at closing. CHFA typically awards the tax credits three to six months following the August 3rd application deadline. Total possible cost from January 1 – March 1 is $9,000.

If AURA assumes the Purchase and Sales Agreement, we will buy the property for $1million no later than March 1, 2021. MHD will buy the property from AURA for $1 million after they receive the tax credits from CHFA.

Total possible holding cost to AURA is $1 million for two to three years until MHD receives the tax credits and purchases the property from AURA. Total out of pocket cost is the potential $9,000 in carrying costs. There is a small chance that the site never receives tax credits, under that scenario, AURA can market the site for another use.

COMMUNITY BENEFIT: There is a shortage of workforce housing in Arvada, this project will bring 100 quality residential units to help house some of Arvada's workforce. Not only will this benefit our residence, but it will help Arvada's employers find and maintain employees. Having quality affordable housing will help maintain an essential workforce nearby.

STAFF RECOMMENDATION: Approval of the Assignment and Assumption of Purchase and Sales Agreement between Arvada Urban Renewal Authority, Mile High Development and IRG

SUGGESTED MOTION: I move to approve Resolution AR-20-05: A Resolution of the Arvada Urban Renewal Authority (The "Authority") Approving the Assignment and Assumption of the Purchase and Sale Agreement between Mile High Development, LLC, IRG Arvada, LLC, and the Authority.

RESOLUTION AR-20-05

A RESOLUTION OF THE ARVADA URBAN RENEWAL AUTHORITY (THE "AUTHORITY") APPROVING THE ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT BETWEEN MILE HIGH DEVELOPMENT, LLC, IRG ARVADA, LLC, AND THE AUTHORITY

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

Section 1. The Authority hereby approves the Assignment and Assumption of Purchase and Sale Agreement between Mile High Development, LLC, IRG Arvada, LLC and the Authority, attached hereto as **Exhibit A**, and incorporated herein by this reference, of that Purchase and Sale Agreement between IRG Arvada, LLC and Mile High Development, LLC attached hereto as **Exhibit B**, and incorporated herein by this reference, and the Chairman of the Authority is hereby authorized to execute the Assignment and Assumption of Purchase and Sale Agreement.

DATED this ___ of _____, 2020.

_____
Fred Jacobsen

_____
Recording Secretary

APPROVED AS TO FORM

_____
Corey Y. Hoffmann, Legal Counsel

Exhibit A

ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF PURCHASE AND SALE AGREEMENT (this "**Assignment**") is entered into as of _____, 2020, by and among MILE HIGH DEVELOPMENT, LLC, a Colorado limited liability company ("**Assignor**"), ARVADA URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado ("**Assignee**"), and IRG ARVADA, LLC, a Delaware limited liability company ("**Seller**"). Each of Assignor, Assignee, and Seller is referred to herein as a "**Party**," and they are collectively referred to herein as the "**Parties**."

Recitals

A. Assignor is the "Buyer" under that certain Purchase and Sale Agreement, dated as of the date hereof (the "**Purchase Contract**"), by and between Seller (as "Seller"), and Assignor (as "Buyer"). The Purchase Contract relates to the purchase and sale of certain real property located at [9250 Ralston Road], Arvada, Colorado 80002, as more particularly described in the Purchase Contract (the "**Property**"). Capitalized terms used in this Assignment and not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Contract.

B. Assignor intends to develop an affordable housing project (the "**Project**") on the Property and on another parcel, adjacent to the Property, owned by the City of Arvada. In order to develop the Project, Buyer must apply to the Colorado Housing and Finance Authority ("**CHFA**") for an award of low income housing tax credits with respect to the Project (the "**Tax Credits**").

C. CHFA will determine whether to grant or deny Assignor's application for the Tax Credits. For purposes of this Assignment, "**CHFA Tax Credit Decision Date**" means the date on which CHFA has made a determination either to grant or to deny Assignor's request for an award of Tax Credits with respect to the Project.

D. The Parties desire that, under certain circumstances described in this Assignment, (i) Assignor shall assign to Assignee all of Assignor's rights and shall delegate to Assignee all of Assignor's duties and obligations under the Purchase Contract, and (ii) Assignee shall accept and assume all of Assignor's rights, duties, and obligations under the Purchase Contract.

E. The Parties enter into this Assignment pursuant to Paragraph 18.C of the Purchase Contract.

Assignment and Assumption

NOW, THEREFORE, for good and valuable consideration received by them, the receipt and sufficiency of which are hereby acknowledged, Assignor, Assignee and Seller covenant and agree as follows:

1. Assignment and Assumption. In the event that either (x) CHFA denies Assignor's request for an award of Tax Credits with respect to the Project, or (y) CHFA grants Assignor's request for an award of Tax Credits with respect to the Project but Assignor fails to complete its purchase of the Property as and when required by the Purchase Contract, then, effective as of the CHFA Tax Credit Decision Date (in the case of the foregoing clause (x)), or effective as of the date on which Assignor fails to complete its purchase of the Property (in the case of the foregoing clause (y)):

(a) Assignor (i) assigns to Assignee all of Assignor's right, title, and interest under and pursuant to the Purchase Contract, and (ii) delegates to Assignee all of Assignor's duties and obligations under the Purchase Contract. Such assignment includes all right and interest of Assignor in and to the Deposit.

(b) Assignee accepts and assumes all of Assignor's rights, duties, and obligations under the Purchase Contract.

(c) The Purchase Contract shall become a direct contract between Seller (as "Seller") and Assignee (as "Buyer"). Subject to (and in accordance with) the terms and conditions set forth in the Purchase Contract, (i) Assignee shall be obligated to purchase the Property from Seller, and (ii) Seller shall be obligated to sell the Property to Assignee.

(d) The definition of "**Closing Date**" in Paragraph 8.A of the Purchase Contract shall be amended to mean the earlier to occur of (i) March 1, 2021, or (ii) the date that is forty-five (45) days after the CHFA Tax Credit Decision Date.

(e) Except for those provisions of the Purchase Contract that specifically survive the termination of the Purchase Contract, which provisions shall remain applicable to Assignor notwithstanding the provisions of this Assignment, Assignor shall be relieved of its obligations under the Purchase Contract.

2. Representations and Warranties. Each Party represents and warrants to the other Parties as follows:

(a) Such Party and the Persons signing this Agreement for such Party have the authority and power to sign this Assignment, to perform all of such Party's obligations under this Assignment, and to sign and deliver all of the documents required to be signed and delivered by such Party under this Assignment, without the consent or approval of any other Person.

(b) This Assignment has been duly executed and delivered by such Party and is a legal, valid, and binding instrument, enforceable against such Party in accordance with its terms, except as such enforceability may be limited by (i) bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting the enforcement of creditors' rights generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3. Seller Consent. Seller, by its signature to this Assignment, hereby consents to the provisions of this Assignment.

4. Notices. Any notice, demand, consent, approval, or document that any Party is required or may desire to give or deliver to any other Party shall be given in writing in the manner set forth in the Purchase Contract. Assignee's address for notices is as follows:

To Assignee: Arvada Urban Renewal Authority
5601 Olde Wadsworth Boulevard, Suite 210
Arvada, Colorado 80002
Attention: Executive Director

With a copy to: Arvada City Attorney's office
8101 Ralston Road
Arvada, Colorado 80001
Attention: AURA legal counsel

5. Successors and Assigns. This Assignment shall be binding upon and shall inure to the benefit of the Parties and their respective shareholders, partners, directors, officers, heirs, beneficiaries, successors, representatives, and assigns.

6. Attorneys' Fees. Notwithstanding any other provision of this Assignment to the contrary, in the event any suit, action, or proceeding is instituted by any Party in connection with the breach, enforcement, or interpretation of this Assignment, the prevailing Party therein shall be entitled to the award of reasonable attorneys' fees and related costs, in addition to whatever other relief may be awarded to the prevailing Party.

7. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the state of Colorado. In the event of any legal action arising from this Assignment, the Parties agree that venue shall be proper in any state or federal court located in Jefferson County, Colorado.

8. Waiver. The waiver or failure to enforce any provision of this Assignment shall not operate as a waiver of any future breach of such provision or any other provision hereof. No waiver shall be binding unless executed in writing by the Party making the waiver. The failure of any Party to insist on strict compliance with any of the terms, covenants, or conditions of this Assignment by any other Party shall not be deemed a waiver of that term, covenant, or condition.

9. Counterparts and Electronic Signatures. This Assignment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute but one and the same Assignment. Any Party shall be entitled to sign and transmit electronic signatures to this Assignment (whether by facsimile, .pdf, or electronic mail transmission), and any such signature shall be binding on the Party whose name is contained therein. Any Party providing an electronic signature to this Assignment agrees to promptly execute and deliver to the other Parties, upon request, an original signed Assignment.

10. Review; Interpretation. Each Party has carefully reviewed this Assignment and the Purchase Contract, is familiar with the terms and conditions hereof and thereof, and was advised by legal counsel of its own choice with respect thereto. This Assignment is the product of negotiation among the Parties and is not to be interpreted or construed strictly for or against any Party.

11. Time of Essence. Time is of the essence with respect to all matters contained in this Assignment.

12. Further Acts. The Parties agree to cooperate with each other to effectuate this Assignment. In addition to the acts recited in this Assignment to be performed by any Party, each Party agrees to perform or cause to be performed, before or after the Closing, any and all such further acts (including the execution of additional documents) as may be reasonably necessary or appropriate to accomplish the intent and purposes of this Assignment and to consummate the transactions contemplated hereby.

[Balance of Page Intentionally Left Blank; Signatures Follow]

IN WITNESS WHEREOF, the Parties have executed this Assignment and Assumption of Purchase and Sale Agreement as of the day and year first above written.

Assignor:

MILE HIGH DEVELOPMENT, LLC,
a Colorado limited liability company

By: _____
Name:
Title:

Assignee:

ARVADA URBAN RENEWAL AUTHORITY,
a body corporate and politic of the State of Colorado

By: _____
Name:
Title:

Seller:

IRG ARVADA, LLC,
a Delaware limited liability company

By: S.L. Properties, Inc.,
a Delaware corporation,
its Manager

By: _____
Name:
Title:

Exhibit B

PURCHASE AND SALE AGREEMENT

This PURCHASE AND SALE AGREEMENT (this "**Agreement**"), dated as of _____, 2020 (the "**Effective Date**"), is entered into by and between IRG Arvada, LLC, a Delaware limited liability company ("**Seller**"), and Mile High Development, LLC, a Colorado limited liability company ("**Buyer**").

RECITALS

A. Seller is the fee simple owner of, among other things, certain real property located at 9250 Ralston Road, Arvada, Colorado 80002 and legally described as set forth on Exhibit A attached to this Agreement and made a part hereof.

B. Buyer desires to purchase the Property (as defined in Paragraph 1) from Seller, and Seller is willing to sell the Property to Buyer, on the terms and conditions set forth in this Agreement.

C. Buyer intends to develop an affordable housing project (the "**Project**") on the Property and on another parcel, adjacent to the Property, owned by the City of Arvada. In order to develop the Project, Buyer must apply to the Colorado Housing and Finance Authority ("**CHFA**") for an award of low income housing tax credits with respect to the Project (the "**Tax Credits**").

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Purchase and Sale.

Seller agrees to sell the Property to Buyer, and Buyer agrees to purchase the Property from Seller, all on the terms, covenants and conditions set forth in this Agreement. The "**Property**" includes the following:

A. Land. The land, consisting of approximately _____ acres, located at 9250 Ralston Road, Arvada, Colorado 80002 and legally described as set forth on Exhibit A attached to this Agreement and made a part hereof, together with all of Seller's right, title and interest in and to all easements, utility reservations, mineral rights, rights of way, strips of land, tenements, hereditaments, privileges, licenses, appurtenances, reversions, and remainders in any way belonging, remaining, or appertaining thereto (collectively, the "**Land**");

B. Improvements. All of Seller's right, title and interest in and to the buildings and other structures and improvements now situated on the Land, including, without limitation, fixtures and equipment, elevators, heating, air conditioning, plumbing, mechanical, electrical,

drainage, security, life safety and fire alarm systems, and their component parts (collectively, the "**Improvements**");

C. Personal Property. All of Seller's right, title and interest in and to the fixtures, furnishings, equipment, appliances, machinery, tools and other personal property of every kind and character currently attached to, located on, or used in connection with the ownership, management, maintenance, and operation of the Improvements and the Land (collectively, the "**Personal Property**"); and

D. Intangible Property. To the extent assignable, all of Seller's right, title and interest in and to (i) all development rights, entitlements, and other intangible property related to the Land, the Improvements, or the Personal Property, (ii) all guaranties and warranties issued to Seller with respect to the Improvements or the Personal Property, and (iii) any reports, studies, surveys, and other comparable analyses, depictions, or examinations of the Land or the Improvements, or pertaining to the Land, the Improvements, or the Personal Property, or the use, ownership, management, or operation thereof (collectively, the "**Intangible Property**").

2. Purchase Price.

The purchase price for the Property shall be $1,000,000 (subject to possible increase as set forth in Paragraph 9.C, the "**Purchase Price**").

3. Payment of Purchase Price.

The Purchase Price shall be paid to Seller by Buyer as follows:

A. Escrow. Within three (3) business days following the Effective Date, an escrow (the "**Escrow**") will be opened with Land Title Guarantee Company, 3033 East 1st Avenue, Suite 600, Denver, Colorado 80206, phone: (303) 870-8824, Attention: Luke Davidson, E-mail: *LDavidson@ltgc.com* (the "**Escrow Agent**"), by delivery to the Escrow Agent of a copy of this Agreement executed by Seller and Buyer. If the Escrow Agent requires any supplemental or additional instructions, then Seller and Buyer shall promptly provide the same, consistent with the provisions of this Agreement.

B. Deposit. Upon opening the Escrow, Buyer shall deposit with the Escrow Agent the sum of $50,000 (the "**Deposit**"). The Deposit shall be held by Escrow Agent in a non-interest-bearing account until disbursed in accordance with this Agreement. In the event Buyer terminates this Agreement before the expiration of the Review Period (as defined in Paragraph 5.A), the Deposit (less any escrow cancellation charges) shall be returned to Buyer. Upon the expiration of the Review Period, if this Agreement has not been previously terminated, the Deposit shall be disbursed to Seller and shall be non-refundable to Buyer (except in the case of (i) a default by Seller under this Agreement, (ii) a failure to satisfy any Buyer Closing Condition (as defined in Paragraph 6), which failure is not waived by Buyer, or (iii) any other circumstance set forth in this Agreement, which circumstance entitles Buyer to recover the Deposit).

C. Balance of Purchase Price. On the Closing Date (as defined in Paragraph 8.A), (i) the Deposit shall be applied towards the Purchase Price, and (ii) Buyer shall pay the balance

of the Purchase Price (plus or minus Buyer's share of closing costs, prorations, and other charges or amounts payable pursuant to this Agreement) to Seller in immediately available funds through the Escrow.

4. Title.

A. Title Policy. On the Closing Date, Seller shall cause good and marketable title to the Property to be conveyed to Buyer by special warranty deed (the "**Deed**"), subject only to the following exceptions to title (the "**Permitted Exceptions**"):

(i) A lien to secure payment of real estate taxes and assessments related thereto, for the year in which the Closing (as defined in Paragraph 8.A) occurs and subsequent years, not yet due and payable; and

(ii) Such other exceptions to title as may be approved by Buyer (or as are deemed approved by Buyer) pursuant to the provisions of Paragraph 4.B.

On the Closing Date, Seller shall cause Land Title Guarantee Company (the "**Title Company**") to issue to Buyer an ALTA extended coverage owner's policy of title insurance (the "**Owner's Policy**"), in the face amount of the Purchase Price, showing title to the Property vested of record in Buyer, subject only to the Permitted Exceptions.

B. Title Documents and Survey.

(i) Within five (5) business days after the opening of the Escrow and the funding of the Deposit, (a) Buyer shall order, and promptly after Buyer's receipt thereof shall deliver to Seller, a preliminary title report for the issuance of the Owner's Policy (the "**Title Report**"), together with legible copies of all title exception documents shown thereon (the "**Title Documents**"), and (b) Seller shall deliver to Buyer a copy of the most current survey of the Land, if any, in Seller's possession (the "**Original Survey**"). If Buyer wishes to order a new survey or have the Original Survey updated or re-certified, then Buyer shall be responsible for paying all costs in connection therewith.

(ii) Within thirty (30) days after Buyer's receipt of the Title Report, the Title Documents, and the Original Survey, Buyer shall furnish to Seller a written list of any objections to matters shown on the Title Report, in the Title Documents, or on the Original Survey (a "**Disapproval Notice**"), stating the items to which Buyer objects (the "**Title Objections**"). Buyer does not need to send a Disapproval Notice with respect to any mortgage liens, tax liens, judgment liens, mechanics' liens or similar monetary liens encumbering the Property, to the extent created by or on behalf of Seller (collectively, "**Mandatory Cure Items**"), and in no event shall any Mandatory Cure Items be considered Permitted Exceptions. If Buyer fails to timely send a Disapproval Notice to Seller as set forth herein, then the condition in this Paragraph 4.B shall be deemed satisfied, and Buyer shall be deemed to have accepted all matters contained in the Title Report, the Title Documents, and the Original Survey (other than the Mandatory Cure Items).

(iii) If Buyer timely sends a Disapproval Notice to Seller, then Seller shall have fourteen (14) days after its receipt of such Disapproval Notice to either (a) furnish written notice to Buyer indicating which Title Objections Seller is unable or unwilling to remove or correct (a "**No Cure Notice**"), or (b) make arrangements or take steps to ensure that the Title Objections are removed or corrected on or before the Closing Date. If Seller fails to timely send a No Cure Notice to Buyer as set forth herein, then Seller shall be deemed to have rejected Buyer's request to make arrangements or take steps to remove or correct any of the Title Objections (other than the Mandatory Cure Items).

(iv) If Seller timely sends a No Cure Notice to Buyer (or if Seller is deemed to have rejected Buyer's requests by failing to timely send a No Cure Notice), then Buyer shall have ten (10) days after its receipt of the No Cure Notice (or, if Seller fails to timely send a No Cure Notice, then Buyer shall have twenty-five (25) days after Buyer's delivery of the Disapproval Notice to Seller) to notify Seller in writing (a "**No Cure Response Notice**") either (a) that Buyer wishes to terminate this Agreement (in which event the Deposit shall be returned to Buyer, and the parties shall have no further obligations to each other except for such provisions that specifically survive the termination of this Agreement), or (b) that Buyer waives those Title Objections that Seller is unable or unwilling to remove or correct. If Buyer fails to timely send a No Cure Response Notice to Seller as set forth herein, then Buyer shall be deemed to have waived those Title Objections listed in the Disapproval Notice that Seller is unable or unwilling to remove or correct.

5. Property Review.

A. Review Period. Buyer shall have ninety (90) days following the Effective Date (the "**Review Period**") to perform such inspections, investigations, examinations, tests, inquiries, studies, and document reviews (collectively, "**Inspections**") relating to the Property (including a Phase I Environmental Site Assessment, but specifically excluding any Environmental/Soil Testing (as defined in Paragraph 5.D), except in strict conformance with the provisions of Paragraph 5.D) and to review the Property Information (as defined in Paragraph 5.C) as Buyer deems appropriate, in order to decide whether the Property is acceptable to Buyer. All costs and expenses of such Inspections shall be borne solely by Buyer. Buyer's obligation to purchase the Property shall be subject to Buyer's approval of the Property, in Buyer's sole discretion, during the Review Period. If Buyer sends written notice to Seller, before the expiration of the Review Period, stating that the Property is acceptable to Buyer (a "**Property Approval Notice**"), then Buyer shall be deemed to have accepted the Property in its "AS-IS" condition (subject to the provisions of Paragraph 12), the Deposit shall be disbursed to Seller and shall be non-refundable to Buyer (except in the case of (i) a default by Seller under this Agreement, (ii) a failure to satisfy any Buyer Closing Condition, which failure is not waived by Buyer, or (iii) any other circumstance set forth in this Agreement, which circumstance entitles Buyer to recover the Deposit), and the parties shall proceed under the remaining terms of this Agreement. If Buyer sends written notice to Seller, before the expiration of the Review Period, stating that the Property is not acceptable to Buyer (for any reason or no reason), or if Buyer fails to send an Approval Notice before the expiration of the Review Period, then this Agreement shall terminate, the Deposit (less any escrow cancellation charges) shall be returned to Buyer as set

forth in Paragraph 3.B, and the parties shall have no further obligations to each other except for such provisions that specifically survive the termination of this Agreement.

B. Property Inspection. Promptly following the opening of the Escrow and the funding of the Deposit, Seller shall provide access to the Property to Buyer and Buyer's agents and consultants, during normal business hours, upon no less than forty-eight (48) hours' notice to Seller prior to any entry on the Property, for the purpose of enabling them to conduct any Inspections that Buyer may wish to perform under Paragraph 5.A. In conducting their Inspections, Buyer and its agents and representatives: (i) shall not interfere with the operation, use, or maintenance of the Property; (ii) shall not damage any part of the Property or any personal property owned or held by Seller or any third party; (iii) shall promptly pay when due the costs of all Inspections done with regard to the Property, and shall not permit any liens to attach to the Property by reason of the exercise of their rights hereunder; and (iv) shall fully restore the Property to the condition that existed before any such Inspections were undertaken; provided, however, that Buyer shall not be responsible for any cleanup or remediation of any hazardous substances that may be discovered on the Property during Buyer's Inspections, so long as such conditions are not exacerbated by Buyer (or Buyer's agents or consultants).

C. Review of Property Information. Within five (5) business days after the Effective Date, Seller shall deliver to Buyer hard copies or electronic copies of those documents and items relating to the Property that Seller has in its possession or under its control, as listed on Exhibit B attached hereto, excluding any documents that are proprietary or confidential and excluding any appraisals or valuations of the Property (collectively, the "**Property Information**"). If Seller fails to timely deliver any of the Property Information to Buyer, then, within ten (10) business days after the Effective Date, Buyer shall send written notice to Seller, indicating which Property Information Buyer still requires. If this Agreement is terminated for any reason, Buyer shall promptly return to Seller the Property Information and copies of any other third-party reports prepared by or on behalf of Buyer with respect to the Property. The obligations of Buyer pursuant to the foregoing sentence shall survive the termination of this Agreement.

D. Environmental/Soil Testing.

(i) Notwithstanding anything to the contrary contained herein, prior to conducting any environmental or soil testing or analysis on or about the Property (other than a Phase I Environmental Site Assessment as set forth in Paragraph 5.A), including, without limitation, any boring, sampling, or any other inspection procedures (collectively, "**Environmental/Soil Testing**"), Buyer shall supply two copies of its proposed scope of work (the "**Proposal**") to Seller setting forth, with specificity, (a) the nature of the Environmental/Soil Testing contemplated, including the locations and number of samples to be obtained, the media (soil or groundwater) to be sampled, the sampling method and types of samples that will be subject to laboratory or field analysis, and the types of contaminants for which the testing is being conducted; and (b) the anticipated dates that any on-site Environmental/Soil Testing or other activities will take place. Buyer shall not proceed with any Environmental/Soil Testing without Seller's express prior written consent (which consent shall not be unreasonably withheld, conditioned, or delayed). In connection therewith, Seller reserves the right to comment, condition, and approve (or disapprove) the Proposal in Seller's reasonable discretion. Upon its receipt of the

Proposal, Seller will review, comment on, and approve (or disapprove) the Proposal in a timely manner.

(ii) Upon the approval of the Proposal by Seller, Buyer shall conduct the Environmental/Soil Testing at the times set forth in the Proposal and in a manner that does not unreasonably interfere with the activities of Seller.

(iii) Upon completion of the Environmental/Soil Testing, Buyer shall restore the Property to substantially the same condition as existed on the Effective Date; provided, however, that Buyer shall not be responsible for any cleanup or remediation of any hazardous substances that may be discovered on the Property during any Environmental/Soil Testing, so long as such conditions are not exacerbated by Buyer (or Buyer's agents or consultants).

(iv) During the Review Period, Buyer shall furnish to Seller, promptly after Buyer's receipt thereof, copies of any and all data, results, conclusions, and reports received by Buyer or prepared by or on behalf of Buyer (whether in draft form or finalized) relating in any manner to the environmental, geotechnical, and/or soils condition of the Property or resulting from any other Environmental/Soil Testing performed by or on behalf of Buyer. Additionally, Buyer shall provide Seller with drafts of any reports to be generated by or on behalf of Buyer in connection with the Proposal, and shall allow Seller to review and comment on such drafts prior to finalizing such reports.

(v) In the event that the Environmental/Soil Testing includes any subsurface or surface investigations, Buyer acknowledges and agrees that, for purposes of disposal under any applicable laws, (i) Buyer is the owner and generator of any and all residual soil, water, or other environmental media collected or produced in connection with Buyer's investigations, and (ii) Buyer shall be solely responsible for the lawful disposal of any such materials collected or produced in connection with Buyer's investigations. Buyer shall make reasonable efforts to use techniques and practices to minimize the volume of soil, water, or other environmental media collected or produced during Buyer's investigations.

E. No Representation or Warranty By Seller. Buyer acknowledges that much of the Property Information was prepared by third parties other than Seller, and in some instances may have been prepared prior to Seller's ownership of the Property. Buyer further acknowledges and agrees that, except for the specific representations and warranties of Seller set forth in this Agreement, (i) neither Seller nor any of its agents, employees, or contractors has made any warranty or representation regarding the truth, accuracy, or completeness of the Property Information or the sources thereof, (ii) Buyer shall not rely on the truth or completeness of the Property Information in making its decision to purchase the Property, and (iii) Seller has not undertaken any independent investigation or inquiry as to the truth, accuracy, or completeness of the Property Information and is providing the Property Information or making the Property Information available to Buyer solely as an accommodation to Buyer.

F. Insurance. Prior to entering upon the Property, Buyer shall, at its sole cost and expense, procure and keep in force and effect, during the entire term of this Agreement, a comprehensive general liability insurance policy, including insurance against assumed or contractual liability under this Agreement, with respect to all of Buyer's activities in, on, or about the Property. The limits of such policy with respect to personal liability and property damage shall be not less than Two Million Dollars ($2,000,000) per occurrence (although Buyer acknowledges that Seller may, if appropriate, request an increase in such limits if Buyer intends to conduct any Environmental/Soil Testing). Seller shall be listed as an additional named insured on such insurance policy, and a copy of such policy (or a certificate thereof) shall be delivered to Seller prior to Buyer's entry upon the Property. The insurer under such policy shall agree not to cancel, materially change, or fail to renew the coverage provided by such policy without first giving Seller at least ten (10) days' advance written notice.

G. Indemnification. Buyer shall indemnify, defend and hold Seller and its Affiliates (as hereinafter defined) and their respective managers, members, partners, stockholders, directors, officers, employees, agents, spouses, legal representatives, successors, and assigns harmless from and against any and all claims, judgments, damages, penalties, fines, costs, losses, liabilities, and expenses (including, without limitation, attorneys' fees and costs) arising from or in any way connected to Buyer's Inspections, including the Environmental/Soil Testing; provided, however, that Buyer shall not be responsible for any cleanup or remediation of any hazardous substances that may be discovered on the Property during Buyer's Inspections or during any Environmental/Soil Testing, so long as such conditions are not exacerbated by Buyer (or Buyer's agents or consultants). For purposes of this Agreement, "**Affiliate**" means, with respect to any Person (as hereinafter defined), any Person that controls, is controlled by or is under common control with such Person, together with its and their respective managers, members, partners, stockholders, directors, officers, employees, agents, spouses, legal representatives, successors, and assigns. A Person shall be presumed to have control when it possesses the power, directly or indirectly, to direct, or cause the direction of, the management or policies of another Person, whether through ownership of voting securities, by contract, or otherwise. For purposes of this Agreement, "**Person**" shall mean an individual, partnership, limited liability company, association, corporation, or other entity. Buyer's indemnity obligation hereunder shall survive the termination of this Agreement.

H. Assumption of Risk. Seller does not assume any risk, liability, or responsibility or duty of care as to Buyer or its employees, agents, or contractors when they are on the Property to conduct any Inspections or Environmental/Soil Testing. Buyer acknowledges and agrees that Buyer and its employees, agents, and contractors enter the Property and conduct their Inspections thereof and any Environmental/Soil Testing thereon at their own risk. Notwithstanding the foregoing, the provisions of this Paragraph 5.H shall not be deemed a disclaimer of any liability that arises directly from Seller's gross negligence or willful misconduct.

6. Conditions Precedent to Buyer's Obligation.

The obligation of Buyer to buy the Property shall be subject to timely satisfaction or waiver of the following conditions precedent (collectively, the "**Buyer Closing Conditions**"):

A. Buyer's approval (or deemed approval) of the condition of title to the Property, in accordance with Paragraph 4.B.

B. Buyer's approval (or deemed approval) of the Property within the Review Period, in accordance with Paragraph 5.A.

C. The truth and accuracy, in all material respects, of each representation and warranty of Seller contained herein as if made on and as of the Closing Date.

D. The Title Company shall have issued (or shall have committed itself to issuing) the Owner's Policy, subject only to the Permitted Exceptions.

If any Buyer Closing Condition is not satisfied on or before the scheduled Closing Date, then Buyer may, by written notice to Seller, either (i) waive such unsatisfied Buyer Closing Condition and proceed to Closing, or (ii) terminate this Agreement, in which event the Deposit shall be returned to Buyer, and the parties shall have no further obligations to each other except for such provisions that specifically survive the termination of this Agreement.

7. Conditions Precedent to Seller's Obligation to Close.

The obligation of Seller to sell the Property shall be subject to timely satisfaction or waiver of the following conditions precedent (collectively, the "**Seller Closing Conditions**"):

A. Buyer's timely delivery to the Escrow Agent of the Deposit, the balance of the Purchase Price, and any other funds required of Buyer under this Agreement.

B. The truth and accuracy, in all material respects, of each representation and warranty of Buyer contained herein as if made on and as of the Closing Date.

C. Buyer shall not then be in default of any covenant or agreement to be performed by Buyer under this Agreement.

If any Seller Closing Condition is not satisfied on or before the scheduled Closing Date, then Seller may, by written notice to Buyer, either (i) waive such unsatisfied Seller Closing Condition and proceed to Closing, or (ii) terminate this Agreement (in which event the Deposit shall be retained by Seller as liquidated damages (as set forth in Paragraph 14), and the parties shall have no further obligations to each other except for such provisions that specifically survive the termination of this Agreement).

8. Closing.

A. The purchase and sale of the Property provided herein shall be consummated at a closing (the "**Closing**"), which shall be held on the Closing Date at the offices of the Escrow

Agent, or at such other time and place as Seller and Buyer may agree upon. As used herein, the "**Closing Date**" means the date that is sixty (60) days after the CHFA Tax Credit Decision Date (as defined in Paragraph 8.B). At the Closing, each of Seller and Buyer shall deliver to the other party such documents as are typical and customary for transactions involving properties of similar size, type, and location as the Property, and as may be necessary or appropriate to consummate the transactions contemplated in this Agreement, including, without limitation, the following:

(i) The Deed, in the customary form then used in the county in which the Property is located.

(ii) An Assignment and Assumption Intangible Property, in the form of Exhibit C attached hereto.

(iii) A customary affidavit of non-foreign status, to be signed by Seller, confirming that Seller is not a "foreign person" and is not subject to withholding within the meaning of Section 1445 of the Internal Revenue Code.

(iv) Such disclosures and reports as may be required by applicable state and local law in connection with the conveyance of real property.

(v) Such other documents, certificates, and instruments as are reasonably necessary to effectuate the transaction described herein and to enable the Title Company to issue the Owner's Policy effective as of the Closing Date, subject only to the Permitted Exceptions.

B. For purposes of this Agreement, "**CHFA Tax Credit Decision Date**" means the date on which CHFA has made a determination either to grant or to deny Buyer's request for an award of Tax Credits with respect to the Project.

9. Closing Costs and Prorations.

A. Seller shall pay one-half (½) of the escrow fees, the costs to cure or endorse over any Title Objections that Seller has agreed to remove or correct pursuant to Paragraph 4.B, and any other costs of Seller hereunder. Buyer shall pay one-half (½) of the escrow fees, all title search costs, the cost of the Owner's Policy (including the costs of any special title endorsements requested by Buyer or by Buyer's lender, but not including the costs to cure or endorse over any Title Objections that Seller has agreed to remove or correct pursuant to Paragraph 4.B), any transfer taxes, sales taxes, stamp taxes, documentary fees, or similar governmental charges applicable to the transfer of the Property to Buyer, the cost of recording the Deed (and, if applicable, a deed of trust in favor of Buyer's lender), all costs associated with Buyer's loan and/or lender (if applicable), all costs associated with applying for and obtaining the Tax Credits from CHFA, and any other costs of Buyer hereunder. Each of Seller and Buyer shall pay its own attorneys' fees. Operating expenses, utility charges, and income (if any) from the Property shall be prorated as of 12:01 a.m. on the Closing Date.

B. Real property taxes shall be prorated as of the Closing Date based upon the most recent assessment and mill levy available. Buyer and Seller agree to prorate as of the Closing

Date any taxes assessed against the Property by a supplemental bill levied by reason of any event occurring prior to the Closing. It is the intent of the parties that all property taxes attributable to the period prior to the Closing Date be the responsibility of Seller and that all property taxes attributable to the period on or after the Closing Date (including any increase in property taxes resulting from the sale of the Property to Buyer) be the responsibility of Buyer.

C. If the Closing Date occurs after December 31, 2020, then the Purchase Price shall increase by $100 for each day that transpires between December 31, 2020 and the Closing Date (for example, if the Closing Date occurs on February 10, 2021, then the Purchase Price shall increase by $4,100).

10. Representations and Warranties by Seller.

Effective as of the date of this Agreement and as of the Closing Date, Seller hereby represents and warrants to Buyer, which representations and warranties shall be accurate and true in all material respects on the Closing Date as if made on the Closing Date, and acknowledges that Buyer is relying upon such representations and warranties in purchasing the Property, as follows:

A. Seller is a limited liability company duly organized, validly existing, and in good standing under the laws of the state of Delaware. Seller has full power and authority to execute and deliver this Agreement and all of Seller's closing documents, to engage in the transactions contemplated by this Agreement, and to perform and observe all of Seller's obligations under this Agreement.

B. Seller and the Persons signing this Agreement for Seller have the authority and power to sign this Agreement, to perform all of Seller's obligations under this Agreement, and to sign and deliver all of the documents required to be signed and delivered by Seller, without the consent or approval of any other Person.

C. This Agreement has been duly executed and delivered by Seller and is a legal, valid, and binding instrument, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by (i) bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting the enforcement of creditors' rights generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

D. Seller is not a "foreign person" and is not subject to withholding within the meaning of Section 1445 of the Internal Revenue Code. On or before the Closing Date, Seller shall execute and deliver to Buyer, through the Escrow, a customary affidavit of non-foreign status, in form reasonably acceptable to Buyer.

E. Seller has not received written notice of any litigation or administrative agency or governmental proceeding pending with respect to the Property or Seller, which proceeding would materially and adversely affect the value of the Property or Seller's ability to consummate the transactions contemplated by this Agreement.

F. Seller has received no written notice alleging the Property's non-compliance with any governmental laws or regulations.

G. To the knowledge of Seller (without any duty of investigation or inquiry), except as disclosed in the environmental reports that Seller will furnish to Buyer as part of the Property Information, (i) there are no underground storage tanks located on or under the Property, and (ii) there are no hazardous substances located on or under the Property in amounts that would violate applicable environmental laws.

11. Representations and Warranties by Buyer.

Effective as of the date of this Agreement and as of the Closing Date, Buyer hereby represents and warrants to Seller, which representations and warranties shall be accurate and true in all material respects on the Closing Date as if made on the Closing Date, and acknowledges that Seller is relying upon such representations and warranties in selling the Property, as follows:

A. Buyer is a limited liability company, duly organized, validly existing, and in good standing under the laws of the state of Colorado. Buyer has full power and authority to execute and deliver this Agreement and all of Buyer's closing documents, to engage in the transactions contemplated by this Agreement, and to perform and observe all of Buyer's obligations under this Agreement.

B. Buyer and the Persons signing this Agreement for Buyer have the authority and power to sign this Agreement, to perform all of Buyer's obligations under this Agreement, and to sign and deliver all of the documents required to be signed and delivered by Buyer, without the consent or approval of any other Person.

C. This Agreement has been duly executed and delivered by Buyer and is a legal, valid, and binding instrument, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by (i) bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting the enforcement of creditors' rights generally, and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

12. Condemnation.

If, prior to the Closing Date, any portion of the Property or the means of ingress or egress thereon is taken by eminent domain (or is the subject of a pending or contemplated taking which has not been consummated), including, without limitation, any land donation or public space requirements or encumbrances on the Property requiring contributions by Seller, then Seller shall promptly notify Buyer of such fact. Buyer shall then have the option to terminate this Agreement upon written notice to Seller given not later than twenty (20) days after receipt of Seller's notice. If Buyer elects to terminate this Agreement, then the Deposit (less any escrow cancellation charges) shall be returned to Buyer, and the parties shall have no further obligations to each other except for such provisions that specifically survive the termination of this Agreement. If Buyer does not elect to terminate this Agreement, then Seller shall assign and turn over to Buyer, and Buyer shall be entitled to receive and keep, all awards for the taking by

eminent domain, and Buyer shall be obligated to proceed to Closing with no reduction in the Purchase Price.

13. Seller's Default.

If Seller is in breach or default of this Agreement or fails to close the transaction for the purchase and sale of the Property when required by this Agreement, then Buyer, as its sole and exclusive remedy hereunder, may elect either to:

A. Terminate this Agreement (in which event the Deposit shall be returned to Buyer, and the parties shall have no further obligations to each other except for such provisions that specifically survive the termination of this Agreement); or

B. Specifically enforce Seller's obligation to convey the Property; provided, however, that no such action for specific performance shall require Seller to do any of the following: (i) change the condition of the Property in any way or restore the Property after any fire or other casualty, (ii) expend money or post a bond to remove any title or survey encumbrance or defect or to correct any matter shown on a survey of the Property (other than Mandatory Cure Items and Title Objections that Seller has agreed to remove or correct pursuant to Paragraph 4.B), (iii) expend money or post a bond to remedy any environmental condition of the Property (except to the extent that a then-existing judgment or order of a court of competent authority requires Seller to do so), or (iv) secure any permit, approval or consent with respect to the Property or Seller's conveyance of the Property. If Buyer elects specific performance as its remedy, then Buyer shall not be entitled to recover any damages (whether actual, direct, indirect, consequential, punitive or otherwise), notwithstanding such failure to close, breach, or default by Seller (but the provisions of this Paragraph 13.B shall not limit Buyer's right to recover attorneys' fees under Paragraph 18.E, if the conditions of Paragraph 18.E are satisfied).

14. Buyer's Default; Liquidated Damages.

If Buyer fails to close the transaction for purchase of the Property when required by this Agreement, then the Deposit shall be retained by Seller as liquidated damages as Seller's sole and exclusive remedy for Buyer's breach or default, whereupon this Agreement shall terminate and the parties shall have no further obligations to each other, except for such provisions that specifically survive the termination of this Agreement. Seller and Buyer acknowledge that it would be extremely impractical and difficult to ascertain actual damages that would be suffered by Seller if Buyer fails to consummate the purchase of the Property as and when contemplated by this Agreement. This liquidated damages provision shall not limit Seller's right to (A) receive reimbursement for or recover damages in connection with any obligations of Buyer that survive the Closing or the termination of this Agreement (such as the indemnities set forth in Paragraphs 5.G and 18.F), or (B) pursue any and all remedies available at law or in equity in the event that, following any termination of this Agreement, Buyer or any Affiliate of Buyer asserts any claim or right to the Property that would otherwise delay or prevent Seller from having clear, indefeasible, and marketable title to the Property.

15. Possession.

Possession of the Property, subject to the Permitted Exceptions, shall be delivered to Buyer at the Closing.

16. Sale "As-Is, Where-Is".

Buyer represents that it is a knowledgeable and experienced buyer of real estate and that, in purchasing the Property, except for the specific representations and warranties of Seller set forth in this Agreement, Buyer shall rely solely on (A) its own expertise and that of its consultants, and (B) its own knowledge of the Property based on its Inspections of the Property. Buyer has conducted or will conduct such Inspections of the Property, including the physical and environmental conditions thereof, as Buyer has deemed or will deem necessary, and Buyer shall rely upon such independent Inspections of the Property. Upon Closing, Buyer shall assume the risk that adverse matters and physical and environmental conditions may not have been revealed by Buyer's Inspections and/or Environmental/Soil Testing. Buyer acknowledges and agrees that upon Closing, except for the specific representations and warranties of Seller set forth in this Agreement, Seller shall sell and convey the Property to Buyer, and Buyer shall accept the Property, in its "AS-IS, WHERE-IS," condition, WITH ALL FAULTS, subject to any and all defects (latent and apparent). The terms and conditions of this Paragraph 16 shall expressly survive the Closing or earlier termination of this Agreement. Except for the specific representations and warranties of Seller set forth in this Agreement, Seller is not liable or bound in any manner by any oral or written statements, representations, or information pertaining to the Property furnished by Seller, any real estate broker, contractor, agent, employee, servant, or other Person. Buyer acknowledges that the Purchase Price reflects the "As Is, Where Is" nature of this sale and any faults, liabilities, defects or other adverse matters that may be associated with the Property.

17. Confidentiality.

A. Buyer acknowledges and agrees that any and all information, whether written or verbal, regarding the physical condition or environmental status of the Property, furnished to Buyer by Seller or by any employee, agent, environmental consultant, or attorney of Seller (any of the foregoing, a "**Seller Party**"), (i) shall be considered the sole and exclusive property of Seller (ii) except as provided in this Paragraph 17, is considered and will be kept confidential by Buyer, and (iii) will not, without the prior written consent of Seller (such consent not to be unreasonably withheld, conditioned, or delayed), be discussed with or furnished to any third party, other than those employees, attorneys, consultants, lenders, or agents of Buyer who are essential to completing the transactions contemplated by this Agreement. With respect to any reports furnished to Buyer by Seller or by any Seller Party (including the Property Information), Buyer specifically acknowledges that (a) Seller makes no representations or warranties of any kind whatsoever with respect to the truth, accuracy, or completeness of any such reports; (b) such reports are not intended to be relied upon by Buyer or as a substitute for complete and thorough Inspections of the Property by Buyer; and (c) Buyer assumes all risks of relying upon such reports.

B. Buyer acknowledges and agrees that any and all information obtained by Buyer relating to Buyer's Inspections of the Property, including the results of the Inspections or the Environmental/Soil Testing, shall be deemed confidential and subject to the terms of this Agreement as if supplied to Buyer by Seller hereunder.

C. Buyer acknowledges and agrees that, in the event Buyer does not proceed with its proposed purchase of the Property, any and all information regarding the physical condition or the environmental status of the Property furnished to Buyer, to employees or agents of Buyer, or to other acceptable third parties under this Agreement shall be promptly turned over to Seller as directed in writing by Seller's counsel.

D. Notwithstanding anything to the contrary contained herein, in the event Buyer is required to disclose any such information to any governmental authority pursuant to applicable law, prior to disclosing the same, Buyer shall notify Seller in writing and provide Seller with copies of all information that Buyer intends to disclose. Such notice and information shall be furnished to Seller by Buyer in writing at least ten (10) days prior to the disclosure of the same to any such governmental authority. Buyer shall cooperate with Seller, to the extent permitted by applicable law, if Seller notifies Buyer that Buyer wishes to enjoin or otherwise prevent disclosure to any such governmental authority.

E. Seller shall be entitled to injunctive relief if Buyer fails to comply with any of its obligations pursuant to this Paragraph 17.

18. Miscellaneous.

A. Final and Entire Agreement; Integration. This Agreement is the final, entire and exclusive agreement between the parties and supersedes any and all prior agreements, negotiations, and communications, oral or written. No representation, promise, inducement, or statement of intention has been made by any of the parties not embodied in this Agreement or in the documents referred to herein, and no party shall be bound by or liable for any alleged representation, promise, inducement, or statement of intention not set forth or referred to in this Agreement. No supplement, modification, or amendment to this Agreement shall be binding or effective unless executed in writing by both Seller and Buyer, and by no other means.

B. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective shareholders, partners, directors, officers, heirs, beneficiaries, successors, representatives, and assigns.

C. Assignment. No party to this Agreement may assign its rights or delegate its duties hereunder without the prior written consent of all parties to this Agreement; provided, however, that (i) either Seller or Buyer may assign its rights or delegate its duties hereunder to an Affiliate of such party, and (ii) Buyer shall assign its rights and delegate its duties (under certain specified circumstances) to the Arvada Urban Renewal Authority pursuant to a separate assignment-and-assumption agreement (and Seller shall be a party to such separate assignment-and-assumption agreement). No such assignment shall relieve the party assigning its rights of its obligations hereunder, unless the other party hereto specifically consents thereto in writing.

D. Notices. Any notice, demand, consent, approval, or document that any party is required or may desire to give or deliver to the other party shall be given in writing by (i) personal delivery; (ii) certified mail, return receipt requested, postage prepaid; (iii) a national overnight courier service that provides written evidence of delivery; or (iv) electronic mail transmission and addressed as follows:

To Seller:	IRG Arvada, LLC c/o IRG Realty Advisors, LLC 4020 Kinross Lakes Parkway, Suite 200 Richfield, Ohio 44286 Attention: Peter Goffstein E-mail: *PGoffstein@industrialrealtygroup.com* Phone: (513) 404-6401
with a copy to:	Fainsbert Mase Brown & Sussman, LLP 11111 Santa Monica Boulevard, Suite 810 Los Angeles, California 90025 Attention: Dean Sussman, Esq. E-mail: *DSussman@fms-law.com* Phone: (310) 473-6400
To Buyer:	Mile High Development, LLC _____ _____ Attention: _____ E-mail: _____ Phone: _____
with a copy to:	Daniel M. Minzer, Esq. 970 South Fillmore Way Denver, Colorado 80209 E-mail: *Dan@dminzerlaw.com* Phone: (720) 599-1100

Any party may change its notice address by giving written notice of such change in accordance with this paragraph. All notices hereunder shall be deemed given: (a) if delivered personally, when delivered; (b) if sent by certified mail, return receipt requested, postage prepaid, on the third day after deposit in the U.S. mail; (c) if sent by overnight courier, on the first business day after delivery to the courier; and (d) if sent by electronic mail, on the date of transmission if sent on a business day before 5:00 p.m. Eastern time, or on the next business day, if sent on a day other than a business day or if sent after 5:00 p.m. Eastern time; provided that a hard copy of any notice sent by electronic mail must also be sent by either a nationally recognized overnight courier or by U.S. mail, first class, postage prepaid.

E. Attorneys' Fees. Notwithstanding any other provision of this Agreement to the contrary, in the event any suit, action or proceeding is instituted by any party in connection with the breach, enforcement or interpretation of this Agreement, the prevailing party therein shall be

entitled to the award of reasonable attorneys' fees and related costs, in addition to whatever other relief may be awarded to the prevailing party.

F. Brokers. Buyer represents and warrants to Seller, and Seller represents and warrants to Buyer, that no broker has been engaged by such party in connection with the transactions contemplated by this Agreement, other than Legend Partners ("**Seller's Broker**"). Each party shall indemnify, protect, defend, and hold harmless the other party, including reasonable attorneys' fees, in respect of any breach of the foregoing representation and warranty, and such indemnity shall survive the Closing or earlier termination of this Agreement. On the Closing Date, Seller shall pay a commission to Seller's Broker, through the Escrow, in an amount determined pursuant to a separate agreement between Seller and Seller's Broker.

G. Severability. The invalidity, illegality, or unenforceability of any provision of this Agreement shall in no way affect the validity of any other provision of this Agreement. In the event that any provision of this Agreement is contrary to any present or future statute, law, ordinance, or regulation, the latter shall prevail, but in any such event the provisions of this Agreement affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law.

H. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Colorado. In the event of any legal action arising from this Agreement, the parties agree that venue shall be proper in any state or federal court located in Jefferson County, Colorado.

I. Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of such provision or any other provision hereof. No waiver shall be binding unless executed in writing by the party making the waiver. The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party shall not be deemed a waiver of that term, covenant, or condition.

J. Counterparts and Electronic Signatures. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute but one and the same Agreement. Any party shall be entitled to sign and transmit electronic signatures to this Agreement (whether by facsimile, .pdf, or electronic mail transmission), and any such signature shall be binding on the party whose name is contained therein. Any party providing an electronic signature to this Agreement agrees to promptly execute and deliver to the other parties, upon request, an original signed Agreement.

K. Review; Interpretation. Each party to this Agreement has carefully reviewed this Agreement, is familiar with the terms and conditions herein, and was advised by legal counsel of its own choice with respect thereto. This Agreement is the product of negotiation among the parties hereto and is not to be interpreted or construed strictly for or against any party hereto.

L. Headings; Constructions. The headings which have been used throughout this Agreement have been inserted for convenience of reference only and do not constitute matter to be construed in interpreting this Agreement. Words of any gender used in this Agreement shall

be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise. The words "herein," "hereof," "hereunder," and other similar compounds of the word "here," when used in this Agreement, shall refer to this entire Agreement and not to any particular provision or paragraph. If the last day of any time period stated herein shall fall on a Saturday, Sunday, or legal holiday, then the duration of such time period shall be extended so that it shall end on the next succeeding day which is not a Saturday, Sunday, or legal holiday.

M. Nonliability. In the event any party to this Agreement is a corporation or limited liability company, none of the directors, managers, shareholders, members, officers, employees, or other agents of such corporation or limited liability company shall have any personal liability or obligation hereunder. Neither party shall not seek to assert any claim or enforce any of its rights hereunder against any such directors, managers, shareholders, members, officers, employees, or other agents, whether disclosed or undisclosed.

N. Survival. All of the representations, warranties, and covenants and agreements set forth herein shall survive the closing of the transaction and the delivery of the Deed for a period of one (1) year.

O. Independent Counsel. Each party to this Agreement represents, warrants, and acknowledges that (i) such party has carefully reviewed and understands this Agreement, (ii) such party has been advised to seek its own independent legal counsel with respect to this Agreement and the transactions contemplated hereby, (iii) such party has sought the advice of independent counsel of its own choosing or has knowingly and voluntarily declined the opportunity to obtain such counsel, and (iv) such party signs this Agreement freely, knowingly and voluntarily. Buyer further represents and warrants to Seller that (a) Buyer is not in a significantly disparate bargaining position in relation to Seller, and (b) Buyer is purchasing the Property for business, commercial, investment, or other similar purposes.

P. Time of Essence. Time is of the essence with respect to all matters contained in this Agreement.

Q. Limitation of Damages. Notwithstanding anything to the contrary contained herein, neither Seller nor Buyer shall be liable for any consequential, punitive, or other such damages for any failure to close, breach, or default under this Agreement.

R. Exchange Cooperation. Seller and Buyer agree to cooperate with each other in accomplishing a tax-deferred exchange for either party under Section 1031 of the Internal Revenue Code, which shall include the signing of reasonably necessary exchange documents; provided, however, that (i) neither party shall incur any additional liability or financial obligations as a consequence of such exchange, (ii) such exchange shall not delay the Closing Date, and (iii) neither party shall be required to take title to any property as part of an exchange, other than Buyer receiving title to the Property described herein. This Agreement is not subject to or contingent upon either party's ability to effectuate a tax-deferred exchange. In the event any exchange contemplated by either party should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.

S. Further Acts. The parties agree to cooperate with each other to effectuate this Agreement. In addition to the acts recited in this Agreement to be performed by Seller and Buyer, Seller and Buyer agree to perform or cause to be performed, before or after the Closing, any and all such further acts (including the execution of additional documents) as may be reasonably necessary or appropriate to accomplish the intent and purposes of this Agreement and to consummate the transactions contemplated hereby.

[Remainder of page intentionally left blank; Signatures on the following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Seller:

IRG ARVADA, LLC,
a Delaware limited liability company

By: S.L. Properties, Inc.,
a Delaware corporation,
its Manager

By: _____
Name:
Title:

Buyer:

MILE HIGH DEVELOPMENT, LLC,
a Colorado limited liability company

By: _____
Name:
Title:

Exhibit A

LEGAL DESCRIPTION OF LAND

[To be inserted]

Exhibit B

PROPERTY INFORMATION

1. Copies of all site plans, building plans, architectural/building drawings, and/or approved civil engineering drawings related to the Property and in Seller's possession.

2. Copies of all environmental site assessment reports, engineering reports, and physical condition reports related to the Property and in Seller's possession.

3. A copy of the Original Survey.

4. Copies of any operating contracts, service contracts, management agreements, and other comparable agreements affecting the Property and in Seller's possession (including any amendments thereto).

Exhibit C

FORM OF ASSIGNMENT AND ASSUMPTION OF INTANGIBLE PROPERTY

ASSIGNMENT AND ASSUMPTION OF INTANGIBLE PROPERTY

This Assignment and Assumption of Intangible Property (this "Assignment") is made and entered into as of _____, _____ (the "Effective Date"), by and between IRG Arvada, LLC, a Delaware limited liability company ("Seller"), and [Mile High Development, LLC] a [Colorado] limited liability company ("Buyer").

RECITALS

A. On or about the date hereof, Seller is selling to Buyer certain real property located in Arvada, Colorado, as more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the "Property").

B. Seller also possesses an interest in various (i) development rights, entitlements, and other intangible property related to the Property, (ii) guaranties and warranties issued to Seller with respect to the Property, and (iii) reports, studies, surveys, and other comparable analyses, depictions, or examinations of the Property, or the use, ownership, management, or operation thereof (collectively, the "Intangible Property").

C. Seller desires to transfer, assign, and convey to Buyer all of Seller's right, title, and interest in and to the Intangible Property, and Buyer desires to accept such transfer, assignment, and conveyance, subject to the terms and conditions contained in this Assignment.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer covenant and agree as follows:

1. Assignment of Intangible Property. Effective as of the Effective Date, (a) Seller hereby transfers, assigns, and conveys to Buyer all of Seller's right, title, and interest in and to the Intangible Property, and (b) Buyer hereby accepts the transfer, assignment, and conveyance of all of Seller's right, title, and interest in and to the Intangible Property; provided, however, that such assignment is effective only to the extent that any of the Intangible Property may be assigned or quitclaimed by Seller without expense to Seller and without causing Seller to violate any agreement or obligation with respect to the Intangible Property.

2. Assumption of Intangible Property. Buyer hereby assumes and agrees to pay all sums, and perform, fulfill, and comply with all covenants and obligations that are to be paid, performed, fulfilled, and complied with by Seller with respect to the Intangible Property, from and after the Effective Date.

3. Seller's Indemnification of Buyer. Seller shall and does hereby indemnify Buyer against, and agrees to hold Buyer harmless from and against, all claims, judgments, damages,

penalties, fines, costs, losses, liabilities, and expenses (including, without limitation, reasonable attorneys' fees and costs) incurred in connection with the Intangible Property, to the extent based upon or arising out of any event or circumstance occurring or alleged to have occurred prior to the Effective Date.

4. Buyer's Indemnification of Seller. Buyer shall and does hereby indemnify Seller against, and agrees to hold Seller harmless from and against, all claims, judgments, damages, penalties, fines, costs, losses, liabilities, and expenses (including, without limitation, reasonable attorneys' fees and costs) incurred in connection with the Intangible Property, to the extent based upon or arising out of any event or circumstance occurring or alleged to have occurred on or after the Effective Date.

5. Successors and Assigns. This Assignment shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest, and assigns.

6. Counterparts. This Assignment may be executed by the parties in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank; Signatures on the following page]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

Seller:

IRG ARVADA, LLC,
a Delaware limited liability company

By: S.L. Properties, Inc.,
a Delaware corporation,
its Manager

By: _____
Name:
Title:

Buyer:

[**MILE HIGH DEVELOPMENT, LLC**],
a [Colorado] limited liability company

By: _____
Name:
Title: