



ADMINISTRATION MEMORANDUM
15-06

DATE: February 10, 2015

TO: Honorable Mayor Joyce Downing & City Council Members

FROM: John R. Pick, City Manager 
Debbie Tuttle, NURA Executive Director 

COPY: Corey Hoffmann, City Attorney

SUBJECT: CR-34 - First Amendment to 24 Hour Capital Ventures LLC Purchase & Sale Agreement

BACKGROUND

On July 14, 2014, Council approved a purchase and sales agreement with 24 Hour Capital Ventures LLC for the 5.7690-acre city-owned parcel at 11890 Grant Street (**Attachment A**).

Under Section 4 of the Agreement, there is a 120-day study period to perform due diligence on the property. The buyer has the option under the Agreement to request in writing an additional 120-days if needed.

On November 10, 2014, the company requested an additional 120-day extension to the study period (**Attachment B**) to work with the adjacent property owners to secure joint signage at the Metro North office building at 11990 Grant Street.

PROJECT REQUEST

The 120-day extension expires on March 10, 2015. 24 Hour Capital Ventures is requesting an amendment to the Agreement to allow for an additional 120-day study period. This will allow them the additional time needed to formalize the agreement with the adjacent property owners for joint signage, and address any issues relative to the land use entitlement plans, and meet the public hearing and posting requirements prior to closing on the property. If Council agrees to approve this resolution, it will extend the study period to June 11, 2015.

STAFF RECOMMENDATION

It is staff's recommendation to approve Resolution CR-34 for a first amendment to the purchase and sale agreement between the City of Northglenn and 24 Hour Capital Ventures.

STAFF REFERENCE:

If you have any comments or questions, they may contact John Pick at 303.450.8706 or jpick@northglenn.org; or Debbie Tuttle at 303-450-8743 or dtuttle@northglenn.org.

SPONSORED BY: MAYOR DOWNING

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-34
Series of 2015

Series of 2015

A RESOLUTION APPROVING THE FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF NORTHGLENN AS SELLER AND 24 HOUR CAPITAL VENTURES, LLC AS BUYER

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The First Amendment to Purchase and Sale Agreement between the City of Northglenn as Seller and 24 Hour Capital Ventures, LLC as Buyer, attached hereto as **Exhibit A**, is hereby approved, and the Mayor is authorized to execute the same on behalf of the City.

DATED at Northglenn, Colorado, this ____ day of _____, 2015.

JOYCE DOWNING
Mayor

ATTEST:

JOHANNA SMALL, CMC
City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN
City Attorney

**FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT
(Northglenn, Colorado)**

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "**Amendment**") is entered into as of the _____ day of _____, 2015, by and between **CITY OF NORTHGLENN, COLORADO** ("**Seller**"), and **24 HOUR CAPITAL VENTURES, LLC**, a Texas limited liability company ("**Buyer**"), with reference to the following:

RECITALS:

A. Buyer and Seller have entered into and executed that certain Purchase and Sale Agreement dated July 14, 2014 (the "**Agreement**"), related to the purchase and sale of approximately 5.7690 acres of land located in Northglenn, Colorado, together with all improvements thereon and all rights and appurtenances related thereto, as further described in the Agreement.

B. The parties now desire to enter into this Amendment to amend the Agreement as set forth herein. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

AGREEMENTS:

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants and conditions contained in the Agreement and herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

1. Study Period. The Study Period (as defined in Section 4 of the Agreement) is currently scheduled to expire on March 11, 2015. The Study Period is hereby extended to June 11, 2015.
2. Effect of Amendment. Except as modified by this Amendment, the terms and provisions of the Agreement shall remain in full force and effect, and the Agreement, as modified by this Amendment, shall be binding upon and shall inure to the benefit of the parties hereto, and their respective officers, directors, partners, principals, successors, devisees and permitted assigns.
3. Incorporation of Recitals. The recitals set forth above shall be a part of this Amendment and are fully incorporated herein.
4. Counterparts. This Amendment may be executed in multiple counterparts, all of which together shall constitute one and the same instrument. Signatures by facsimile or email shall be considered valid and binding on the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Amendment to be effective as of the date first written above.

BUYER:

24 HOUR CAPITAL VENTURES, LLC,
a Texas limited liability company

By: _____
Name: _____
Title: _____

SELLER:

CITY OF NORTHGLENN, COLORADO

By: _____
Name: _____
Title: _____

SPONSORED BY: MAYOR DOWNING

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-78
Series of 2014

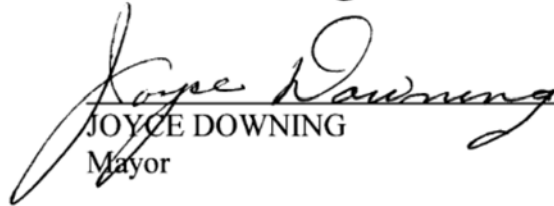
14-77
Series of 2014

A RESOLUTION APPROVING THE PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF NORTHGLENN AS SELLER AND 24 HOUR CAPITAL VENTURES, LLC AS BUYER

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The Purchase and Sale Agreement between the City of Northglenn as Seller and 24 Hour Capital Ventures, LLC as Buyer, attached hereto as **Exhibit A**, is hereby approved, and the Mayor is authorized to execute the same on behalf of the City.


DATED at Northglenn, Colorado, this 14th day of July, 2014.


JOYCE DOWNING
Mayor

ATTEST:


JOHANNA SMALL, CMC
City Clerk

APPROVED AS TO FORM:


COREY Y. HOFFMANN
City Attorney

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "**Agreement**"), dated July 14, 2014, is by and between **CITY OF NORTHGLENN, COLORADO** ("**Seller**") and **20 HOUR CAPITAL VENTURES, LLC**, a Texas limited liability company ("**Buyer**"), who, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, agree as set forth below. The date first appearing above is for reference purposes only. The effective date of this Agreement is the date on which the Title Company acknowledges receipt of fully executed original counterparts of this Agreement. The transaction called for herein is sometimes referred to as the "**Transaction**."

1. **Agreement for Purchase and Sale.** Seller will sell to Buyer and Buyer will purchase from Seller the real property containing approximately 5.7690 acres of land at approximately 11890 Grant Street, Northglenn, Colorado, and being more particularly described on **Exhibit A** attached hereto (the "**Land**"), together with any and all hereditaments, easements, appendages, ways, privileges and appurtenances, if any, belonging to or inuring to the benefit of Seller or the Land or pertaining to the Land; any strips or gores adjoining or adjacent to the Land;; any award for damage to the Land attributable to periods from and after the date of the Closing by reason of any change of grade in any street, road, avenue, way or boulevard, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever of Seller, either in law or equity, of, in and to the Land (collectively, the "**Property**"), upon the terms and conditions set forth herein. The Land will be confirmed by a survey, and the Property will include all personal property, pylon signs, trademarks, oil and gas, water and mineral rights, and names used in connection with the Property, and all supplies, materials and equipment, whether owned or leased by Seller.

2. **Purchase Price.** The purchase price for the Property (the "**Purchase Price**") shall be One Million Five Hundred Thousand Dollars (\$1,500,000.00), which shall be paid as follows:

(a) Within two (2) business days after the Effective Date, Buyer shall deliver the sum of Fifty Thousand and No/100 Dollars (\$50,000.00) to Escrow Agent (as defined below) as an earnest money deposit (the "**Deposit**"). The Deposit shall be applied against the Purchase Price if the Transaction closes.

(b) The balance of the Purchase Price (subject to closing adjustments and prorations as provided below) will be paid at Closing (as defined below).

All payments hereunder shall be made by means of a federal wire transfer of immediately available funds.

3. **Seller's Representations and Warranties; Condition of Property.**

(a) Seller represents and warrants (based on Seller's current actual knowledge, without investigation or inquiry) to Buyer, as of the Effective Date hereof and as of the Closing Date, which representations and warranties shall survive the Closing, as follows:

(i) Seller has all requisite power and authority to carry on its business as it is now being conducted in the State of Colorado and to enter into and perform this Agreement; this Agreement is enforceable against Seller in accordance with its terms; and neither the execution and delivery of this Agreement nor the consummation of the sale provided for herein will constitute a violation or breach by Seller of any provision of any agreement or other instrument to which Seller is a party or to which the Seller may be subject although not a party, or will result in or constitute a violation or breach of any judgment, order, writ, injunction or decree issued against Seller or the Property.

(ii) There is no pending litigation pertaining to the Property or Seller's right, title or interest therein.

(iii) Seller now has and will have at the Closing good and marketable fee simple title to the Property, free and clear of all encumbrances, other than the encumbrances permitted by this Agreement.

(iv) No restrictive covenants, zoning or other ordinances, rules, statutes or governmental laws or regulations are being violated by the current use or operation of the Property, and there are no easements or other encumbrances affecting the Property that prevent access from any portion of the Property to adjacent public rights-of-way.

(v) Seller has received no notice (and has no knowledge) of condemnation or contemplated condemnation proceedings affecting all or any part of the Property.

(vi) Seller has not, and to the best of Seller's knowledge no previous owner of any part of the Property has, used or permitted the use of the Property (or any portion thereof) as a landfill or dump of any kind.

(b) Except as otherwise specifically provided herein, neither party has made any representations, warranties, or agreements to or with the other party related in any way to the Property, and Buyer is purchasing the Property in its "AS IS" condition.

4. **Buyer's Studies.** Within five (5) business days after the Effective Date, Seller shall supply and disclose to Buyer the items listed on **Exhibit B** attached hereto to the extent in Seller's possession or control (the "**Seller's Deliveries**"). The obligation of Buyer to purchase the Property is contingent upon Buyer's determination that the Property is suitable for Buyer's intended use thereof, in its sole and absolute discretion. In connection therewith, Buyer shall have the right and opportunity to make surveys and topographical maps, conduct soil tests, establish boundaries, determine the availability and adequacy of all utility facilities and services, review the zoning classification for the Property, and perform such other acts as may be deemed reasonably necessary by Buyer in order for it to determine that the condition of the Property is satisfactory to Buyer (collectively, "**Buyer's Studies**"). All of Buyer's Studies will be conducted, made and performed at Buyer's sole cost, expense and liability, provided that Buyer will not pay for any reports in the possession of Seller. Seller shall, however, at no cost to Seller, cooperate with Buyer in its investigations. Buyer may terminate this Agreement for any reason whatsoever by giving written notice to that effect to Seller, received by Seller before 5:00 p.m. on or before the one hundred and twentieth (120th) day following Buyer's receipt of all of Seller's Deliveries (the "**Study Period**") in which event the Deposit will be returned to Buyer and each party shall be relieved of all further obligations under this Agreement (except as otherwise specifically provided herein). If Buyer fails to terminate this Agreement in the manner and at the time set forth above, Buyer shall be deemed to have waived the contingency set forth in this Section, the entire Deposit shall become non-refundable (except as otherwise specifically provided in this Agreement), and this Agreement shall remain in full force and effect. If, however, Buyer has not received all City approvals from the City of Northglenn (provided that Buyer promptly applies for and diligently pursues the same), Buyer will have the right to extend the Study Period for up to an additional one hundred twenty (120) days by providing Seller written notice thereof received before the end of the Study Period as then in effect.

5. **Title Commitment; Survey; Buyer's Objections.**

(a) Within five (5) days after the Effective Date, Seller will obtain, at its sole cost and expense, and deliver to Buyer a title insurance commitment ("**Title Commitment**") regarding the Property from:

Old Republic National Title Insurance Company (the "**Title Company**" and the "**Escrow Agent**")

Attn: Anna Melass
Phone: 713-552-7362
Fax: 281-271-8996
email: amelass@oldrepublictitle.com
777 Post Oak Boulevard, Suite 200
Houston, Texas 77056

(b) Seller shall obtain, at its sole cost and expense, and deliver to both Buyer and the Title Company, a current ALTA survey and metes and bounds legal description of the Property (the "**Survey**").

(c) Buyer shall have fifteen (15) days after the later of the date of Buyer's receipt of (i) the Survey or (ii) the Title Commitment (including the copies of all documents referred to therein), in which to examine the Survey and the Title Commitment (and all documents) and to make any written objections to the matters disclosed therein or thereby. In the event that the Survey or Title Commitment shows any matters that are objectionable to Buyer ("**Survey Objections**" and "**Title Objections**", respectively), and Buyer notifies Seller in writing of such objections (an "**Objection Notice**"), within the time period provided for in this Section 5, then, within ten (10) business days (the "**Cure Period**"), after receipt of Buyer's Objection Notice, Seller shall provide Buyer with a written notice of all Title Objections and Survey Objections that Seller elects to cure on or before the Closing. Buyer need not object to any monetary encumbrances, notices of pending action, or possessory rights of others, all of which exceptions are deemed Title Objections and Seller shall eliminate all such Title Objections on or before the Closing. In the event Seller does not commit to eliminate each Title Objection and Survey Objection within the Cure Period, or earlier notifies Buyer that it will not commit to cure one or more of such Objections, Buyer shall have the option for a period ending on the later of (i) ten (10) days after expiration of the Cure Period or receipt of Seller's notice that it will not cure, whichever is earlier, and (ii) the last day of the Study Period, to either (x) waive Buyer's objections for which Seller refused to eliminate and purchase the Property as otherwise contemplated in this Agreement, without any adjustment in the Purchase Price, in which event such waived objections shall become permitted exceptions, or (y) terminate this Agreement by written notice to Seller, in which event the Deposit shall be returned to Buyer and, except those obligations stated elsewhere in this Agreement to survive termination, neither Seller nor Buyer shall have any further rights, obligations or liabilities hereunder. Failure by Buyer to make such election within the time period set forth in the preceding sentence shall be deemed a waiver of Buyer's right to terminate this Agreement under this Section 5(c) and Buyer shall take the Property subject to such Title and/or Survey Objections at Closing. Seller shall have no obligation to cure any objection raised by Buyer in its Objection Notice and may elect to notify Buyer at any time during the Cure Period that it is unable or unwilling to satisfy any of Buyer's Objections. If Buyer fails, within the time period provided for in this Section 5(c), to notify Seller of its objection to any matter disclosed by the Survey or Title Commitment, then Buyer shall be deemed to have waived objection to such matter, such matter shall be considered an additional permitted exception for purposes of this Agreement, and the Property, if purchased, shall be purchased subject to such additional permitted exception. In the event Seller commits to eliminate any Title Objection or Survey Objection and fails to cure such Title Objection or Survey Objection (as applicable) by the Closing, then Buyer shall have the option, to either (i) waive the applicable Title Objection or Survey Objection that Seller has failed to cure and purchase the Property as otherwise contemplated in this Agreement, without any adjustment in the Purchase Price, in which event such waived objections shall become permitted exceptions, or (ii) terminate this Agreement by written notice to Seller, in which event the Deposit shall be returned to Buyer and, except those obligations stated elsewhere in this Agreement to survive termination, neither Seller nor Buyer shall have any further rights, obligations or liabilities hereunder.

6. **Assessments.** If, as of the Closing Date (defined below), any assessment is a lien against the Property or any part thereof, Seller shall pay such assessment in full at Closing.

7. **Closing Date and Place.** The closing of the Transaction (the "**Closing**") shall occur on or before the date which is thirty (30) days after the later to occur of (A) the expiration of the Study Period or (B)

the receipt by Buyer of all permits, licenses and final, unappealable approvals from all applicable governmental authorities which are required to permit Buyer to develop the Property for its intended use, including, without limitation, building permits and approval of Buyer's site plan (the "**Closing Date**"). The Closing shall take place at the offices of the Title Company, and shall be effected through the Title Company as follows: Buyer shall deposit the Purchase Price (net of the Deposit and other prorations) and any documents required from Buyer with the Title company, Seller shall deposit a recordable Special Warranty Deed, in the form and content of **Exhibit C** attached hereto (the "**Deed**") and any other documents required from Seller with the Title Company, and the Title Company will record the Deed and pay the Purchase Price (net of credits and prorations) to Seller.

8. **Closing Statement; Adjustments and Prorations; Costs.** At the Closing, the parties shall execute and deliver a closing statement (the "**Closing Statement**"), which shall reflect, *inter alia*, (a) the final Purchase Price, with a credit against the final Purchase Price for the Deposit, and (b) an adjustment for prorations of real property taxes and assessments of the Closing Date. The Closing Statement shall reflect that Buyer shall be obligated to pay all premiums for title insurance and related charges, Seller shall pay all fees for recording and any documentary or other fees payable in connection with recording, and the parties shall equally share any escrow and/or closing charges. Proration of real property taxes and assessments shall be based upon the most recent ascertainable amounts due with respect to the Property, subject to reconciliation when actually known. If the Property is assessed or taxed as a part of a larger parcel, the tax, assessment or charge for the Property shall be determined by multiplying the assessment and tax for the parcel of which the Property forms a part by a fraction, the numerator of which will be the land area of the Property and the denominator of which will be the land area of the larger parcel of which the Property forms a part. Seller shall pay for all costs associated with an updated ALTA Survey and title commitment, the cost of transfer and mortgage taxes, and all other closing costs customarily paid by sellers in Adams County, Colorado.

9. **Possession.** Possession of the Property shall be delivered to Buyer as of the Closing.

10. **Defaults.** If Seller fails to perform as required to close hereunder, Buyer may, as its sole remedy, either seek specific performance of the Agreement or declare this Agreement null and void and of no effect, in which case the Deposit shall be returned to Buyer and each party shall be released from all obligations hereunder (except as otherwise provided herein). In no event shall Buyer be entitled to, and Buyer hereby waives all rights to seek, any other remedy that may otherwise be available to Buyer at law, in equity or otherwise, including, but not limited to, damages of any kind. If there is any default by Buyer under this Agreement, then Seller may retain the Deposit as liquidated damages and declare this Agreement null and void and of no force and effect, in which case each party shall be released from all further obligations hereunder (except as otherwise provided herein).

11. **Taking Prior to Closing.** If any of the Property is taken by the right of, or under threat of the exercise of the right of, eminent domain prior to the Closing Date, then Buyer may, at its option, either: (a) proceed to Closing regardless of the taking, and Buyer shall thereupon become entitled to the entire award or proceeds received or receivable for the portion of the Property taken, except that Seller shall be entitled to any awards or proceeds for severance or other damages relating to other property owned by Seller, or (b) upon five (5) days' prior written notice to Seller, terminate this Agreement, in which case the Deposit shall be returned to Buyer and both parties shall be relieved of all further obligations under this Agreement (except as otherwise specifically provided herein).

12. **Agreement not to be Recorded.** Neither party will cause or permit this Agreement or any document evidencing this Agreement to be recorded prior to the Closing. If Buyer fails to exercise any right to terminate this Agreement in the manner and at the time set forth herein for so doing, Buyer shall be deemed to have waived the contingency to which such termination right relates.

13. **Notices.** All notices, consents, instruments, plans or communications provided for under this Agreement shall be in writing, signed by or on behalf of the party giving the same, and shall be hand

delivered, or be sent by United States certified or registered mail, return receipt requested, postage prepaid, or be sent by private, receipted courier guaranteeing same-day or next-day delivery, or sent via facsimile, addressed as follows:

If to Seller: City of Northglenn, Colorado
Attn: John R. Pick, City Manager
11701 Community Center Drive
Box 330061
Northglenn, Colorado 80233
Fax: 303-450-8708

With a copy to: Corey Y. Hoffmann, Esq.
Hayes, Phillips, Hoffmann & Carberry, P.C.
1530 16th Street, Suite 200
Denver, Colorado 80202
Fax: 303-825-1269

If to Buyer: 24 Hour Capital Ventures, LLC
10077 Grogan's Mill, Suite 100
The Woodlands, Texas 77380
Attn: Real Estate Department
Fax: 281-292-5748

With a copy to: Chapoton Sanders Scarborough LLP
Two Riverway, Suite 1500
Houston, Texas 77056
Attn: Brad R. Scarborough
Fax: 713-357-9690

If sent by U. S. certified mail in accordance with the provisions of this Section 13, such notices shall be deemed given and received on the earlier to occur of (i) actual receipt at the herein effective notice address of the named addressee (which shall be deemed the date of "first notice" or "refusal," respectively, if left unclaimed or refused), or (ii) the third (3rd) postal business day after deposit with the United States Postal Service. Notice sent by facsimile shall be deemed given and received upon transmission to a recipient and receipt by the sending party of successful transmission to the respective facsimile number set forth in this Section 13. Notices delivered by means other than mail or facsimile shall be deemed given and received only upon actual delivery to the herein effective notice address of the named addressee. Any party hereto may change its address for notice herein (to any location within the continental United States) by giving the other parties hereto written notice of such new address pursuant to this provision at least fifteen (15) days before the proposed effective date of the change, which effective change date shall be set forth in the notice.

14. **Entire Agreement.** This Agreement, including any Exhibits hereto, constitutes the entire understanding between the parties with respect to the subject matter hereof, and all prior agreements or understandings shall be deemed merged in into this Agreement.

15. **No Oral Amendment or Modifications.** No amendments, waivers or modifications hereof shall be made or deemed to have been made unless in writing executed by the Party to be bound thereby.

16. **Non-severability.** If any provision of this Agreement shall be invalid, illegal or unenforceable by a Court of competent jurisdiction, it shall not affect or impair the validity, legality or enforceability of any other provision of this Agreement, and there shall be substituted for the affected provision a valid and enforceable provision as similar as possible to the affected provision. In no event shall the invalidity of any provision hereof result in any reduction in the Purchase Price.

17. **Assignability.** Prior to Closing, neither this Agreement nor the rights of Buyer hereunder may be assigned or transferred by Buyer, in whole or in part to any other party without the prior written consent of Seller (which consent shall not be unreasonably withheld or delayed); provided, however, subject to the restrictions set forth in Section 31, Buyer may assign or transfer this Agreement without the prior written consent of Seller to an affiliate of Buyer or to a development partner of Buyer in a build-to-suit-for lease transaction in which Buyer or an affiliate of Buyer will be the tenant.
18. **Binding Effect.** Subject to Paragraph 17 above, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
19. **Captions for Convenience.** All headings and captions used herein are for convenience only and are of no meaning in the interpretation or effect of this Agreement.
20. **Applicable Law.** This Agreement shall be interpreted and enforced according to the laws of Colorado.
21. **Exhibits Incorporated.** All Exhibits to this Agreement specifically referred to in the main body hereof are incorporated herein and made a part hereof as if fully set forth herein.
22. **Time of the Essence.** Time is of the essence with respect to all performances required under this Agreement.
23. **Brokers.** Each party represents, warrants and certifies to the other party that such party has not engaged or utilized the services of a broker in connection with the Transaction, except Brian Cuje of RPM Management, LLC, who represents Buyer. Buyer shall pay Buyer's agent at Buyer's expense a closing a fee of 5% of the Purchase Price. Pursuant to Colorado Real Estate law, RPM Management LLC discloses that it has an exclusive agreement with Buyer, 24 Hour Capital Ventures LLC, and it represents the interest of Buyer not Seller.
24. **Reporting Compliance.** Each party will provide to the Title Company prior to or at Closing such information as the Title Company may reasonably request.
25. **Counterparts.** This Agreement may be executed in counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute but one agreement.
26. **No Waiver of Police Power.** Nothing in this Agreement shall be construed to be a waiver by the City of its police power.
27. **Infrastructure Costs.** Buyer will obtain current cost estimates to finish the infrastructure related to Buyer's proposed development of the Property, which shall be provided to Seller.
28. **City Approvals.** Closing is contingent upon Buyer obtaining standard approvals from the city building department to construct Buyer's proposed building on the Property.
29. **Construction by Buyer.** If the Closing occurs, Buyer shall, within one (1) year after the Closing, commence construction of a facility containing not less than approximately sixty thousand (60,000) square feet (+/-10%) of facilities including a medical facility, hospital, ambulatory surgery facility and associated medical offices. In the event construction has not been commenced within one (1) year after the Closing, Buyer shall be entitled to repurchase the Property following 120 days written notice given after such one (1) year period; provided, however, if Buyer commences construction of such a facility prior to the expiration of such 120 day notice period, Tenant's right to repurchase terminate shall be null and void. If Seller so elects to purchase the Property, the purchase price for such repurchase shall equal

the Purchase Price, plus the amount of any reasonable out of pocket expenses incurred by Buyer to purchase or own the Property and prepare for the development of the Property.

30. **Signage.** The closing of the land is strictly contingent upon Seller and or the Colorado Dept of Transportation, approving a directional (H) hospital sign in a location to be determined by mutual agreement prior to expiration of the Study Period. Also, Seller will use its best efforts allow Buyer to have its name shown on the I-25 Highway Digital Pylon Sign that may be constructed and maintained by Hawkins Development or other such entity. Seller further agrees to use its best efforts to provide signage to cause the Property to have visibility from I-25, which signage may include other signage on City property fronting I-25, or visibility on other digital billboards within Northglenn and adjacent to I-25. Buyer and Seller agree to develop a signage plan, which signage plan shall be finalized by the expiration of the Study Period, or Buyer may determine to waive this contingency regarding signage and proceed to Closing. Provided however, if such signage is not adequate, Buyer shall provide notice to Seller prior to the expiration of the Study Period, or Buyer shall be deemed to have waived the contingency regarding signage.

31. **Economic Incentives.** Within thirty (30) days after the Effective Date, Seller shall at Seller's cost and expense obtain an appraisal of the Property from an MAI certified appraiser. To the extent the appraised value of the Property is less than \$1.8 million, Seller agrees to waive up to 25% of the building permit fees and up to 100% of water tap fees related to Buyer's proposed development of the Property and to rebate 3% of the use tax for construction materials and 3% of the use tax on equipment for one year after project completion as an economic incentive for Buyer to construct its medical facility on the Property, which total amount shall be not to exceed a total combined appraised amount of the Property and incentives totaling \$1.8 million. In the event the appraised amount exceeds \$1.8 million, no economic incentives shall be due under this Section 31. To the extent the appraised value of the Property is less than \$1.2 million, the total amount of incentives shall not exceed \$300,000. In addition, and in further consideration of the incentives set forth herein, Buyer agrees that it shall not transfer, sell, convey, or otherwise assign any interest in the Property or the improvements constructed thereon to a tax-exempt entity for a period of twenty-five (25) years from the date of Closing. The provisions of this Section 31 shall survive the Closing.

32. **Exchange.** Each party shall cooperate with the other to accommodate such party in effecting a 1031 Exchange in connection with the Transaction.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

EXECUTED TO BE EFFECTIVE AS OF THE EFFECTIVE DATE.

SELLER:

CITY OF NORTHGLENN, COLORADO

By: Joyce Downing
Name: Joyce Downing
Title: Mayor

BUYER:

24 HOUR CAPITAL VENTURES, LLC,
a Texas limited liability company

By: [Signature]
Dudley Carpenter, Vice President

FULLY EXECUTED ORIGINAL COUNTERPARTS OF THIS AGREEMENT
RECEIVED this 17th day of July, 2014 (the "Effective Date"). The undersigned agrees upon receipt of the Deposit described in Section 2 hereof, in good, collected funds, to promptly deposit the same in an interest-bearing money-market account as herein specified, and further agrees to refund the Deposit (and any accrued interest) to Buyer upon Buyer's written request made to the Title Company at any time during the Study Period described in Section 4, without deduction or offset except for incidental out-of-pocket expenses incurred and paid by the Title Company at Buyer's request (such as deliveries by independent couriers, etc.), and without requiring any prior written or verbal consent of Seller, and notwithstanding any objection by Seller, unless the Title Company is prohibited from making such disbursement by an order of any court of competent jurisdiction.

TITLE COMPANY:

OLD REPUBLIC NATIONAL TITLE COMPANY

By: Anna Melass
Name: ANNA MELASS
Title: Asst. Vice President

EXHIBIT A

LEGAL DESCRIPTION

SECT,TWN,RNG:3-2-68 DESC: BEG AT N4 COR SEC 3 TH E 10 FT TH S 230 FT TH E 230 FT TO TRUE POB TH CONT E 167/23 FT TH N 200 FT TO A PT 30 FT S OF N LN NE4 SD SEC TH E 627/02 FT TH S 19D 47M W 335/50 FT TH E 182/23 FT TO A PT ON WLY LN OF FARMERS HIGHLINE CANAL TH ALG SD WLY LN AS FOL S 10D 26M E 120/05 FT S 44D 10M E 180/04 FT S 17D 09M E 76/05 FT S 31D 21M W 75/99 FT S 74D 45M W 266/91 FT S 85D 34M W 274/90 FT S 88D 21M W 302/89 FT TO A PT TH N 85D 21M W 168/65 FT TO A PT ON CURVE TO LEFT DELTA OF SD CURVE 12D 26M RAD OF 403/205 FT CHD BRS N 06D 13M E 87/39 FT TH ALG ARC OF CURVE 87/565 FT TO END OF CURVE TH N 500 FT TO TRUE POB EXC RDS AND PARCS 5/7690A

EXHIBIT B

SELLER'S DELIVERIES

1. The last policy of Title Insurance issued for the Property.
2. A current preliminary title commitment issued by a reputable title insurance company acceptable to Buyer, together with copies of all documents referred to in the commitment; and
3. A currently dated survey ("Survey") prepared by a licensed professional surveyor reasonable acceptable to Buyer and the title company for issuance of an ALTA Title Policy, which Survey shall reflect the following:
 - (a) A certification to Buyer, the title company and a lender to be designated by Buyer, that the Survey:
 - i. Was made on the ground as per the field notes shown and area of the land indicated thereon and each individual parcel;
 - ii. Correctly shows the location of all buildings, structures, and other improvements, and visible items on the Property, if any and;
 - iii. Correctly shows the location and dimensions of all alleys, streets, roads, right-of-way, easements and other matters of record of which the surveyor has been advised affect the Property (with instrument, book and page number indicated); and, except special flood hazard area, there are no visible easements, rights-of-way, party walls or conflicts, and there are no visible encroachments on the Property by building, structures and other improvements situated on adjoining premises, and the distance from the nearest intersecting street and road is shown thereon.
 - (b) The location of all improvements, streets, highways, rights-of-way and easements appurtenant to, traversing adjoining or bounding the Property (which shall show all applicable recording data);
 - (c) Any encroachments on the Property or protrusions on adjacent land;
 - (d) A metes and bounds description of the Property and the total acres and the net usable acres contained therein;
 - (e) The beginning points should be established by a monument located at the beginning point, or be reference to a nearby monument; and
 - (f) The boundary line of highways and streets abutting the Property and the width of such highways and streets, including any proposed relocation, modification or widening thereof.
4. A copy of the Property tax assessments and tax bills with respect to the Property for the past two year.
5. Copies of all fire, extended risk, liability and other insurance policies covering the Property and a schedule of premiums thereof, together with a current schedule of any claims affecting the Property and all insurance loss claim records relating to the Property for the past twenty four (24) months.
6. Complete plans, plats and specifications for the Property and any amendments thereto, to the extent that they are in the possession of Seller. Seller agrees to use its best efforts to aid Buyer in acquiring such plans and specifications. Copies of all certificates of occupancy.

A schedule of all current lawsuits pending or threatened affecting the Property which schedule will include a summary of the action, the names of all the parties thereto, including plaintiff, defendant, and any attorneys; except initiated by Seller against tenants who are no longer in the Property.

EXHIBIT C

WHEN RECORDED, MAIL TO:

Tax Parcel No.: _____

Space Above for Recorder's Use

SPECIAL WARRANTY DEED

THIS DEED, made effective this ___ day of _____, 2013, from **CITY OF NORTHGLENN, COLORADO** (“**Grantor**”), whose address is _____, Northglenn, Colorado, to **24 HOUR CAPITAL VENTURES, LLC**, a Texas limited liability company (“**Grantee**”), whose address is 10077 Grogan’s Mill, Suite 100, The Woodlands, Texas 77380;

WITNESS that Grantor, for and in consideration of the sum of \$10.00 and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does hereby grant, bargain, sell and convey and confirm unto Grantee, and its successors and assigns forever, the real property in the County of Adams, and State of Colorado, more particularly described on **Exhibit A** hereto and hereby incorporated by this reference (the “**Land**”), together with any and all hereditaments, easements, appendages, ways, privileges and appurtenances, if any, belonging to or inuring to the benefit of Seller or the Land or pertaining to the Land; any strips or gores adjoining or adjacent to the Land;; any award for damage to the Land attributable to periods from and after the date of the Closing by reason of any change of grade in any street, road, avenue, way or boulevard, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever of Grantor, either in law or equity, of, in and to the Land (collectively, the “**Property**”). This Deed is executed by Grantor and accepted by Grantee subject to the rights of third parties in connection with those items set out and listed in **Exhibit B** attached hereto and all municipal or other governmental zoning laws, regulations and ordinances, if any, affecting the herein-described Property and all matters reflected by the ALTA Survey prepared by _____ on _____, 2014 and delivered to Grantee as part of the transaction for which this Deed is provided and that would be disclosed by a physical inspection of the surface of the Property (herein called the “**Permitted Exceptions**”).

TO HAVE AND TO HOLD the said Property above bargained and described with the appurtenances, unto Grantee, its successors and assigns forever. Grantor, for itself, its successors and assigns, does covenant and agree that it shall and will WARRANT AND FOREVER DEFEND the Property in the quiet and peaceable possession of Grantee, its successors and assigns, against all and every person or persons claiming or to claim the whole or any part thereof by, through, or under Grantor, but not otherwise and except for the Permitted Exceptions.

IN WITNESS WHEREOF, Grantor has signed this Deed as of the date of notarization appearing below.

(signature and notarization to be attached)

24 Hour Capital Ventures, LLC
10077 Grogan's Mill Road, Suite 100
The Woodlands, Texas 77380

November 10, 2014

City of Northglenn, Colorado
Attn: John R. Pick, City Manager
11701 Community Center Drive
Box 330061
Northglenn, Colorado 80233

Corey Y. Hoffman, Esq.
Hayes, Phillips, Hoffmann & Carberry, P.C.
1530 16th Street, Suite 200
Denver, Colorado 80202

Re: Agreement of Purchase and Sale dated effective as of July 17, 2014 (the "Agreement") by and between City of Northglenn, Colorado, as "Seller", and 24 Hour Capital Ventures, LLC, as "Buyer", concerning that certain approximate 5.7690 acres of land at approximately 11890 Grant Street, Northglenn, Colorado, together with all improvements thereon and rights related thereto, all being more particularly described in the Agreement. All capitalized terms used but not defined in this letter shall have the meanings ascribed to them in the Agreement.

John & Corey,

This letter shall serve as written notice of Buyer's request to extend the Study Period for an additional 120 days pursuant to Section 4 of the Agreement.

Respectfully,



Dudley Carpenter
Vice President of Real Estate

cc: Anna Melass – Old Republic National Title Company
Via Email: amelass@oldrepublictitle.com