

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (“Agreement”) is made as of this ___ day of March 2024 (the “**Effective Date**”), by and between **Aurora Charter School BC (“Seller”)**, a Colorado nonprofit corporation, the sole member of which is Colorado Early Colleges (“**CEC**”), a Colorado nonprofit corporation and public charter school network, and **Douglas County School District Re. 1 (“Buyer”)**, a Colorado public school district.

RECITALS

WHEREAS, Seller holds title to land located at 10235 Parkglenn Way, Parker, CO 80138, the legal description of which is attached hereto as **Exhibit A** and incorporated herein (the “**Land**”), and improvements existing thereon, which shall include buildings, fixtures, and easements appurtenant thereto (the “**Facilities**”). The Land and Facilities are referred to in this Agreement collectively as the “**Property**.”

WHEREAS, Buyer desires to purchase the Property from Seller, and Seller desires to sell the Property to Buyer, all upon the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the obligations and undertakings hereinafter set forth, including the recitals, which are incorporated herein, and in consideration of the sums to be paid by Buyer, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Seller and Buyer agree as follows:

Article I.

PURCHASE AND SALE OF THE PROPERTY

Section 1.01 Purchase. For the consideration hereinafter set forth, but subject to the terms, provisions, covenants, and conditions contained herein, Seller hereby agrees to sell and convey to Buyer, and Buyer agrees to purchase from Seller, all of Seller’s right, title, and interest in and to the Property.

Section 1.02 Purchase Price.

- (a) Purchase Price. The purchase price for the Property (the “**Purchase Price**”) shall be Four Million Three Hundred Thousand Dollars and No Cents (\$4,300,000.00).
- (b) Payment of the Purchase Price. The Purchase Price shall be paid as follows:
 - (i) Within three (3) business days following the Effective Date, Buyer shall deliver to Land Title Guarantee Company (“**Escrow Agent**”), the sum of Fifty Thousand Dollars and No Cents (\$50,000.00) by wire transfer or cashier’s check (the “**Deposit**”). Upon the expiration of the Feasibility Period (as defined hereinafter), the Deposit shall become non-refundable to Buyer and applied against the Purchase Price, except (x) as otherwise expressly provided in this Agreement to the contrary, (y) in the event the sale of the Property is not consummated solely because of Seller’s default under this Agreement, or

(z) this Agreement is terminated prior to the expiration of the Feasibility Period (defined below) in accordance with Sections 2.02 below, in which case the Deposit shall be promptly released and returned to Buyer. If this Agreement is not terminated prior to the end of the Feasibility Period, the Deposit shall be non-refundable to Buyer except in the event the sale of the Property is not consummated solely due to Seller's inability to complete the Release of Deed (defined in Section 2.03), a Seller default under this Agreement, or as otherwise expressly provided in this Agreement to the contrary. It is the intent of the Seller and the Buyer that any interest earned on the Deposit shall be payable to the party entitled to the principal thereof as provided for in this Agreement.

- (ii) The Buyer may pay the balance of the Purchase Price less the Deposit, via wire transfer of immediately available funds on the Closing Date (as defined below), subject to the prorations and adjustments contained in this Agreement. Notwithstanding any other term herein, the Buyer may also choose to have the Deposit returned to it upon payment of the Purchase Price.
- (iii) The Seller shall deliver possession of the Property to Buyer immediately upon closing. If Seller fails to deliver possession, then Seller shall be liable to Buyer for Five Hundred Dollars and No Cents (\$500.00) per day for each day until Seller delivers possession.

Section 1.03 Escrow Agent.

- (a) Appointment. Seller and Buyer hereby appoint Escrow Agent as the escrow agent for the transaction contemplated by this Agreement. Escrow Agent shall hold the Deposit in accordance with this Agreement.
- (b) Filings. The Escrow Agent, as the party designated as the person responsible for closing the transaction contemplated hereby within the meaning of Section 6045(a)(2)(A) of the Internal Revenue Code (the "**Code**"), shall file all necessary information, reports, returns, and statements regarding this transaction as required by the Code, including, without limitation, any tax reports required pursuant to Section 6045 of the Code.
- (c) General Provisions. The parties agree to the following general provisions regarding the Escrow Agent's duties hereunder, provided that nothing set forth below shall in any way limit or modify the Escrow Agent's obligations under this Agreement:
 - (i) Funds due to Seller shall be disbursed by wire transfer pursuant to Seller or Seller's legal counsel's instructions provided in writing to the Escrow Agent prior to or at Closing.
 - (ii) Any change of the escrow instructions contained in this Agreement must be given in writing and signed by all parties hereto. Notwithstanding anything set forth herein to the contrary, in the event of any conflict or inconsistency between the provisions of any standard form escrow instructions signed by the parties and this Agreement or any deed, instrument, or document executed or delivered in connection with the transaction contemplated hereby, the provisions of this Agreement or such deed, instrument, or document shall control.

Article II.
INVESTIGATION OF THE PROPERTY

Section 2.01 Seller Deliverables. Within five (5) business days after the Effective Date, Seller shall deliver, or otherwise make available, to Buyer the following, to the extent in Seller's possession (collectively, the "**Seller Deliverables**"): (a) Seller's existing title policy, including exception documents, and existing survey for the Property (the "**Existing Survey**"); (b) any of the following that are in the Seller's possession or control: existing soil tests; structural engineering tests; ADA surveys; masonry tests; percolation tests; water, oil, gas or mineral assessments, tests, or reports; radon tests or reports; abatement and/or containment plans; site plans; and environmental reports for the Property, if available; (c) copies of any and all applicable plans and specifications with respect to the Property; (d) written disclosure of the name of any common interest community/owners' association of which the Property is subject and any declarations, covenants, conditions or restrictions applicable to the Property (prospective and/or existing) and design guidelines and a statement of the amount of assessments payable to any common interest community/owner's association and contact information for such association, if any; (e) any written notices, citations, or violations of applicable laws, codes, or regulations from any governmental authorities with respect to the Property; (f) a list and copies of all guaranties and warranties in force and effect for the Property from any unrelated third party, contractor, manufacturer or other person in connection with Improvements to or operation of the Property; and (g) any other information regarding the Property in Seller's possession that is reasonably requested by the Purchaser. The Seller Deliverables are being delivered to Buyer without representation or warranty of any kind or nature with respect to the application, completeness, accuracy, or regulatory compliance thereof.

Section 2.02 Feasibility Period.

(a) Generally. Subject to the rights of the existing tenant, CEC, and the terms and conditions set forth herein, Buyer shall have a period beginning on the Effective Date and ending at 11:59 p.m. (Mountain time) on sixty (60) days after the Effective Date, or such earlier date as Buyer in its sole discretion decides by providing written notice to Seller that it waives further inspection of and accepts the Property (the "**Feasibility Period**"), to examine, inspect and investigate the Property and, in the Buyer's sole discretion, to determine whether the Buyer wishes to proceed to purchase the Property. All inspections of the Property made by the Buyer shall be at the Buyer's sole cost and expense, except the Seller shall credit the Buyer at closing for the commercially reasonable cost of an ALTA survey performed of the Property by R&R Engineers-Surveyors, Inc. Buyer hereby acknowledges and agrees that a school is currently being operated on the Property. Buyer shall not disturb the operations of the school during Buyer's entry onto the Property, and Buyer acknowledges that depending on the school's needs, the Buyer's access rights may be limited to days and hours when the school is not in session. Buyer shall comply with all reasonable rules and requirements that CEC may require with respect to the Buyer's access and shall allow a representative of CEC to accompany it at any time during its entry onto the Property. Buyer shall give Seller prior written notice of not less than three (3) business days of any entry onto the Property by Buyer or its agents for purposes of conducting any of the inspections, tests, investigations or other matters described herein and Seller and/or its agents shall have the right to be present during any such inspections, tests, investigations or other matters described herein. Buyer agrees to immediately repair and restore any damage to the

Property resulting from the access to and inspection of the Property by Buyer or its agents, representatives, employees and/or contractors. Buyer shall provide Seller with copies of all reports, test results, updates to surveys and other written materials obtained by Buyer in connection with its investigation of the Property promptly following Buyer's receipt thereof. Except for asbestos testing, Buyer shall not perform any intrusive or destructive testing, including, without limitation, any so called "Phase II" environmental assessment or boring or other intrusive subsurface intrusion, without (i) submitting to Seller a written proposal for such testing or investigation, which shall include, without limitation, the scope and nature of the inspections to be included in such testing, and (ii) obtaining the prior written consent of Seller for such testing, which consent may be withheld in Seller's sole and absolute discretion. If Buyer determines during the Feasibility Period that it is dissatisfied with the Property for any reason or no reason in its sole and absolute discretion, then Buyer may elect to either (i) terminate this Agreement by delivery of a termination notice to Seller within the Feasibility Period, in which event the Deposit shall be returned to Buyer and neither of the parties shall have any further rights or obligations under this Agreement, except for any other provision of this Agreement that is expressly intended to survive the termination of this Agreement; or (ii) waive the objections to the inspection by delivery of written notice of such waiver to Seller within the Feasibility Period. Buyer's failure to deliver to Seller either of such written notices within the Feasibility Period shall be conclusively deemed a waiver by Buyer of Buyer's right to terminate this Agreement pursuant to this Section 2.02(a). During the term of this Agreement, Buyer agrees and covenants with Seller not to disclose to any third party (other than lenders, accountants, attorneys and other professionals and consultants in connection with the transaction contemplated herein) any of the reports or any other documentation or information provided to or obtained by Buyer which relate to the Property or Seller in any way without Seller's prior written consent, unless Buyer is obligated by law or legal process to make such disclosure, and all such reports, documentation and information shall be used by Buyer and its agents solely in connection with the transaction contemplated hereby. In the event that this Agreement is terminated for any reason, Buyer agrees (i) that all such information will be held in strict confidence subject to the requirements of law or other legal process, and (ii) to promptly return to Seller all such documentation and other information obtained from or otherwise provided by or on behalf of Seller within five (5) days following such termination.

(b) Insurance; Indemnification. Prior to any physical inspection or testing being conducted at the Property by Buyer, or any of its agents, representatives, employees and/or contractors, Buyer shall obtain, and during the period of such inspection or testing shall maintain, at its expense, commercial general liability insurance, including a contractual liability endorsement, and personal injury liability coverage, with Seller and CEC, as additional insured, from an insurer reasonably acceptable to Seller, which insurance policies must have limits for bodily injury and death of not less than One Million Five Hundred Thousand Dollars (\$1,500,000) for any one occurrence and not less than Three Million Dollars (\$3,000,000) for all occurrences. Prior to making any entry upon the Property, Buyer shall furnish to Seller a certificate of insurance evidencing the foregoing coverages. In conducting any inspection of the Property or otherwise accessing the Property, to the extent permitted by law, Buyer and its agents, representatives, employees and/or contractors shall at all times comply with all laws and regulations of all applicable governmental agencies. To the extent permitted by law, Buyer agrees to indemnify and hold Seller, its partners, affiliates, tenants, subtenants, members, officers, agents, representatives, and employees, and any financier of the Property harmless for, from and against any claims,

liabilities, costs, expenses (including reasonable attorneys' fees actually incurred, court costs and disbursements), damages, liens or injuries arising out of or resulting from the access to and inspection of the Property by Buyer or its agents, representatives, employees and/or contractors, including, without limitation, the cost of repairing and restoring any damage to the Property. The provisions of this Section 2.02 shall survive the Closing or the earlier termination of this Agreement.

(c) Existing Lease. Notwithstanding anything in this Agreement to the contrary, Buyer acknowledges and agrees that the Property is currently leased to CEC pursuant to that certain Lease Agreement, dated as of May 1, 2022, as amended ("**Prime Lease**"). The Seller shall deliver the Property free and clear of the Prime Lease at Closing.

(d) Personal Property. Notwithstanding anything in this Agreement to the contrary, Seller shall have the option to either: (i) leave the personal property, furniture, fixtures or equipment located on the Property as of the Closing Date and shall have no obligation to remove such personal property from the Property; or (ii) remove any such personal property, furniture, or equipment located on the Property on or prior to the Closing Date, provided Seller repairs any damage caused by such removal. Any such personal property, furniture, fixtures or equipment left in the Property as of the Closing Date is being left on an as-is, where-is basis, without representation or warranty of any kind or nature and will be conveyed to Buyer by bill of sale, the form of which shall be agreed upon by Seller and Buyer prior to the Closing. Regardless of whether considered fixtures, the Seller may take wireless access points and all IT equipment, including, but not limited to, the racks.

Section 2.03 Bond Redemption Period. Commencing at the end of the Feasibility Period and continuing until 11:59 p.m. (Mountain time) on sixty (60) days thereafter (the "**Bond Redemption Period**"), Seller shall use commercially reasonable, good-faith efforts to complete the bond redemption process and obtain a release of the deed of trust evidencing the same that is recorded against the property ("**Release of Deed**"). If Seller uses commercially reasonable, good-faith efforts to obtain the Release of Deed but is unable to do so on or before the expiration of the Bond Redemption Period, the Bond Redemption Period shall be extended for thirty (30) days. If Seller uses commercially reasonable, good-faith efforts to obtain the Release of Deed but is unable to do so on or before the expiration of the Bond Redemption Period, as extended, Seller may terminate this Agreement by delivering written notice thereof to Buyer prior to the expiration of the Bond Redemption Period. If Seller fails to terminate this Agreement prior to the expiration of the Bond Redemption Period, Seller shall be deemed to have waived its right to terminate this Agreement pursuant to this Section 2.03.

Section 2.04 Title and Survey Review.

(a) Title; Survey. Within ten (10) days after the Effective Date, Seller shall deliver to Buyer a commitment (the "**Title Commitment**") for an ALTA extended coverage policy of owner's title insurance with the standard pre-printed exception deleted, in the amount of the Purchase Price, and issued by Land Title Guarantee Company (the "**Title Policy**") and committing to insure marketable title to the Property in Buyer subject only to the Permitted Encumbrances (as hereinafter defined). The Title Commitment shall link to complete and accurate copies of all matters described in Schedule B thereof (the "**Title Documents**"). If the Buyer

desires an update to the Existing Survey (the “**Updated Survey**”), it shall order said update within seven (7) days after the Effective Date and shall deliver a copy thereof to Seller upon receipt.

(b) Review Period. Buyer shall have until the expiration of the Feasibility Period in which to review the Title Commitment, the Title Documents, the Existing Survey, and the Updated Survey and notify Seller in writing, at Buyer’s election, of such objections as Buyer may have to any matters contained therein (“**Buyer’s Objection Notice**”; any of said objections listed on Buyer’s Objection Notice are deemed the “**Objectionable Exceptions**”). If Seller notifies Buyer in writing within five (5) business days after receipt of the Buyer’s Objection Notice that it has elected not to cure one or more of said Objectionable Exceptions (“**Seller’s Notice**”), Buyer shall have the right to either: (a) terminate this Agreement by delivering written notice within five (5) business days after receipt of such Seller’s Notice, in which event, the Deposit shall be returned to Buyer and neither party shall have any further rights or obligations under the Agreement, except for any other provision of this Agreement that is expressly intended to survive the termination of this Agreement, or (b) consummate the transaction contemplated by this Agreement in accordance with the terms hereof in which event, all those Objectionable Exceptions that Seller has so elected not to cure shall conclusively be deemed to constitute Permitted Exceptions (as defined below).

(c) Monetary Liens. The Seller shall have no obligation to remove or cure any title objections, except for monetary liens against the Property, which liens the Seller shall cause to be released at the Closing or affirmatively insured over by the Title Company with the Buyer’s approval.

(d) Permitted Exceptions. The term “**Permitted Exceptions**” shall mean: (i) any exception arising out of an act of the Buyer, or an entity related to its representatives, agents, employees, independent contractors, licensees, or invitees; (ii) zoning and subdivision ordinances and regulations; (iii) any title exceptions and/or survey matters approved, deemed approved or not objected to by Buyer in accordance with Section 2.04(b); and (iv) Property taxes and assessments not yet due and payable.

Article III. REPRESENTATIONS AND WARRANTIES; INDEMNIFICATION

Section 3.01 Seller’s Representations and Warranties. Seller represents and warrants to Buyer as follows as of the Effective Date and as of the Closing Date which representations and warranties shall survive for twelve (12) months after the Closing Date:

(a) Authority. Seller is a nonprofit corporation duly organized and existing and in good standing under the laws of the State of Colorado and is duly authorized to transact business in the state in which the Property is located. Seller has the full right and authority to enter into this Agreement and consummate the transaction contemplated by this Agreement. All requisite action has been and will be taken by and on behalf of Seller in connection with the entering into of this Agreement, the instruments referenced herein, and the consummation of the transaction contemplated hereby. The persons and/or entities signing this Agreement on behalf of Seller are authorized to do so.

- (b) Consents; Binding Obligations. Any third-party approvals or consents which may be required for Seller to enter into this Agreement or to consummate the transaction contemplated hereby have been or will prior to Closing be obtained by Seller. This Agreement and all documents required hereby to be executed by Seller are and will be valid, legally binding obligations of Seller, enforceable against Seller in accordance with their terms.
- (c) Bankruptcy. There are no pending attachments, executions, assignments for the benefit of creditors or voluntary or involuntary proceedings in bankruptcy or under any other debtor relief laws initiated by Seller or, to Seller's actual knowledge, initiated or threatened against Seller or the Property.
- (d) Foreign Person Affidavit. In order to induce Buyer to waive the requirement of withholding tax under Section 1445 of the Internal Revenue Code of 1986, as amended, Seller represents and warrants (and will confirm by sworn affidavit delivered at the Closing) that it is not a foreign person for purposes of said Section 1445.
- (e) No Violations. Neither the execution of this Agreement nor the performance by Seller of its obligations under this Agreement will result in any breach or violation of: (i) any decree, judgment or order to which Seller or any constituent member of Seller is a party now in effect from any court or governmental body; or (ii) to Seller's actual knowledge, the terms of any law, rule, ordinance, or regulation applicable to Seller. The execution and delivery of this Agreement and performance by Seller of its obligations under this Agreement will not conflict with or result in a breach or default (or constitute an event which, with the giving of notice or the passage of time, or both, would constitute a default) under Seller's organizational documents or any indenture, mortgage, lease, agreement, or other instrument to which Seller is a party or by which Seller or any of its assets may be bound.
- (f) Seller is the legal owner of the Property, Seller has no knowledge of any flaw in its title that would affect its ability to convey marketable title to the Property to Buyer, and Seller owns the same free and clear of all liens, encumbrances, easements, reservations, restrictions and other matters, other than those items that shall be disclosed by Seller pursuant to this Agreement or reflected on the Title Commitment to be delivered by Seller pursuant this Agreement.
- (g) Seller has not received any written notices from any governmental authority that the Property is presently in violation in any material respect with any applicable statutes, ordinances, codes, rules, and regulations of any governmental authority having jurisdiction over the Property or is the subject of a condemnation proceeding.
- (h) As of the date hereof, the Property is not, and as of the Close Date the Property will not be (excluding claims through the Buyer or its agents and related entities) subject to any unrecorded instruments affecting title to or use of the Property, and no other person has claimed title to, possession of or right to use the Property or any right thereto not disclosed in the Title Commitment. Except as disclosed in this Agreement, the Seller Deliverables, or Title Commitment, Seller has not entered into any lease or other agreement for possession or sale with any person (except Buyer and CEC, the latter of which shall be

terminated as of the Closing Date) pursuant to which such person has any interest or future right or interest to occupancy, possession or use of all or any portion of the Property.

- (i) Seller has not received notice that the Property is in violation of any Environmental Law relating to Hazardous Substances on, under or about the Property.

Whenever a representation, warranty or other statement is made in this Section 3.01 or otherwise in this Agreement on the basis of Seller's knowledge or is qualified by Seller having received written notice, such representation, warranty or other statement is made solely on the basis of the actual knowledge of a Jessie Mathis, as distinguished from implied, imputed or constructive knowledge on the date that such representation, warranty or other statement is made. Notwithstanding the foregoing, the Jessie Mathis shall have no personal liability in any manner whatsoever hereunder or otherwise related to this transaction.

Section 3.02 Buyer's Representations and Warranties. Buyer represents and warrants to Seller as follows as of the Effective Date and as of the Closing Date, which representations and warranties shall survive for twelve (12) months after the Closing Date:

- (a) Authority. Buyer is a Colorado public school district duly organized and existing, is in good standing under the laws of the State of Colorado, and is duly authorized to transact business in the state in which the Property is located. Buyer has the full right and authority to enter into this Agreement and consummate the transaction contemplated by this Agreement. All requisite action has been and will be taken by and on behalf of Buyer in connection with the entering into of this Agreement, the instruments referenced herein and consummating the transaction contemplated hereby. The persons and/or entities signing this Agreement on behalf of Buyer are authorized to do so. This Agreement and all documents required hereby to be executed by Buyer are and will be valid, legally binding obligations of Buyer, enforceable against Buyer in accordance with their terms.
- (b) Foreign. Neither Buyer nor any holder of an interest in Buyer is a "Specially Designated National" or "Blocked Person" identified on any executive order or list published by the Office of Foreign Asset Control, Department of the Treasury. Seller's name listed on the first page of this Agreement is the full and complete legal name of Seller. Buyer is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code.

Article IV. CLOSING

Section 4.01 Time of Closing; Early Possession Agreement. The closing of the transactions contemplated hereby (the "**Closing**") shall take place in escrow in the offices of the Escrow Agent on or before June 30, 2024 (the "**Closing Date**"). If Buyer has waived objection to the Property during the Feasibility Period and Closing cannot occur on or before June 30, 2024 because Seller has yet to obtain the Release of Deed, then the Closing Date shall be extended for sixty (60) days and Seller and Buyer shall cooperate in good faith to enter into and obtain bond trustee consent for a mutually acceptable early possession agreement allowing Buyer to take possession of and occupy the Property from June 30, 2024 until the Closing Date, as extended.

Section 4.02 Condition Precedent. It shall be a condition precedent to Buyer's obligation to complete Closing that the Facilities be in substantially the same condition it was in as of the Effective Date, with the exception of the following: (i) reasonable wear and tear; (ii) damage caused by Buyer or its agents, contractors, employees, licensees, or invitees; and (iii) casualty and condemnation (with casualty and condemnation specifically addressed elsewhere in this Agreement), (collectively, the "**Excluded Occurrences**"). If CEC surrenders the Property in a condition that is significantly worse than the condition it was in as of the Effective Date, and such was not caused by the Excluded Occurrences, Seller shall have no liability or obligation with respect to such, except that Seller and Buyer shall in good faith work to satisfactorily resolve this issue, and if they fail to reach a resolution of such, either party shall have the right to terminate this Agreement by written notice to the other, with Buyer receiving a return of its Deposit upon such termination, and with neither party hereto having any further obligation under this Agreement except for those provisions that expressly survive the termination of this Agreement.

Section 4.03 Closing Deliveries. At the Closing, the following shall occur:

- (a) Deed. Seller shall deposit with Escrow Agent a duly executed and acknowledged special warranty deed (the "**Deed**") in a form attached as **Exhibit B** hereto conveying fee simple title to the Property to Buyer subject to the Permitted Exceptions;
- (b) Affidavit of Property Value (Seller). Seller shall deliver to the Escrow Agent, an executed Affidavit of Property Value as required by Colorado law;
- (c) FIRPTA Affidavit. Seller shall execute and deliver to Escrow Agent an affidavit that evidences that Seller is exempt from the withholding requirements of Section 1445 of the Internal Revenue Code, if applicable;
- (d) Purchase Price. Buyer shall deliver to Escrow Agent the balance of the Purchase Price, together with Buyer's share of the closing adjustments as set forth in Section 4.04;
- (e) Affidavit of Property Value (Buyer). On the Closing Date, Buyer shall deliver to the Escrow Agent an executed Affidavit of Property Value as required by Colorado law;
- (f) Seller's Affidavit. A title affidavit or indemnity agreement (only to the extent required by the Title Company), which, in either case, is in form to enable Title Company to delete the standard pre-printed exceptions from the Title Policy subject to Buyer's obtaining the Updated Survey naming the Title Company as a beneficiary;
- (g) Bill of Sale. A bill of sale conveying the tangible personal property remaining on the Property under Section 2.02(d) to Buyer, the form of which shall be agreed upon by Seller and Buyer prior to the Closing;
- (h) General Assignment. A general assignment, the form of which shall be agreed upon by Seller and Buyer prior to the Closing, pursuant to which Seller will assign and transfer title to intangible property relating to the Property.
- (i) Settlement Statement. Escrow Agent shall deliver to Seller and Buyer settlement statements in form and content consistent with this Agreement; and

- (j) Other Documents. Each party shall deliver to the other party or the Title Company or Escrow Agent documents, instruments, or agreements which may be reasonably necessary to consummate the transactions contemplated by this Agreement.

Section 4.04 Prorations; Closing Costs.

- (a) Prorations. Expense shall be prorated as of 12:01 a.m. of the day of the Closing (“**Apportionment Time**”), with all expenses prior to the day of Closing being attributed to Seller and for the day of Closing being attributed to Buyer.
- (b) Property Taxes. Property taxes shall be prorated as of the Apportionment Time, with unpaid taxes and prorated taxes for the current year collected from Seller and paid to the Douglas County treasurer at Closing in accordance with C.R.S. § 39-3-13.
- (c) Utilities. Water, sewer, electric, fuel (if any) and other utility charges shall be apportioned as of the Apportionment Time. If consumption of any of the foregoing is measured by meter, Seller shall reasonably endeavor to obtain a reading of each meter and a final bill as of the Closing Date. If there is no such meter or if the bill for any of the foregoing will not have been issued as of the Closing Date, the charges thereof shall be adjusted as of the Apportionment Time on the basis of the charges of the prior period for which such bills were issued. All prorations under this Section 4.04(c) shall be deemed final.
- (d) Closing Costs. At or before the Closing, Seller shall pay: (i) the cost of the Updated Survey and (ii) one half of the fees and costs of the closing escrow. At or before the Closing, Buyer shall pay: (a) the cost of the Title Policy; (b) one half of the fees and costs of the closing escrow; (c) the cost of any title policy endorsements requested by Buyer or its lender; (d) all fees and costs associated with the purchase financing of the Property, including, without limitation, the cost of the loan policy of title insurance; and (e) the cost of recording the Deed and any documentary, stamp or other transfer taxes charges assessed the Property. Each party shall pay its own legal and accounting costs.
- (e) Miscellaneous Closing Costs. Any other closing costs not addressed in this Section 4.04 or elsewhere in this Agreement shall be handled in accordance with the custom of the Douglas County, Colorado.
- (f) Payment. All closing costs payable by Seller shall be deducted from the Purchase Price proceeds. Prior to Closing, Buyer shall deposit with Escrow Agent funds sufficient to pay for the closing costs which are Buyer’s responsibility.

Article V.
DEFAULT; TERMINATION

Section 5.01 Buyer Default. If Buyer defaults in any material respect under this Agreement, Seller’s sole remedy shall be to terminate this Agreement by giving written notice thereof to Buyer and Escrow Agent, whereupon the Deposit shall be immediately released and disbursed to Seller as liquidated damages as the Seller’s sole and exclusive remedy, and neither party shall have any further liability or obligation to the other, except for the indemnity provisions or any other provision of this Agreement that is expressly intended to survive the termination of this

Agreement. The parties acknowledge and agree that Seller's actual damages in the event of Buyer's default are uncertain in amount and difficult to ascertain and that said amount of liquidated damages was reasonably determined and is not a penalty.

Section 5.02 Seller Default. If Seller defaults in any material respect hereunder, the Buyer may, as its sole and exclusive remedy, (a) terminate this Agreement, whereupon the Deposit shall be immediately returned to the Buyer and neither party shall have any further liability or obligation to the other, except for the indemnity provisions or any other provision of this Agreement that is expressly intended to survive the termination of this Agreement; or (b) assert and seek judgment against Seller for specific performance of Seller's obligations under this Agreement.

Article VI. DESTRUCTION OF IMPROVEMENTS

Section 6.01 Material Damage; Material Condemnation. If, prior to Closing, (i) any of the improvements on the Property are damaged or destroyed such that the cost of repair or replacement of such improvements is reasonably likely to exceed Four Hundred Thirty Thousand and No/100 Dollars (\$430,000.00) ("**Material Damage**") or (ii) any condemnation proceeding is commenced or threatened in writing by a governmental or quasi-governmental agency with the power of eminent domain which results in any of the following: (1) a taking of any material portion of the Facilities, (2) access to the Property is prevented and alternative access is not available, or (3) a reduction in the number of parking spots located on the Property below the amount required by law (such event, a "**Material Condemnation**"), then Seller must immediately notify Buyer in writing and:

- (a) Buyer may elect, within ten (10) business days after its receipt of written notice of any Material Damage or written notice of such Material Condemnation, by written notice to the Seller, to terminate this Agreement, and if necessary the time of Closing shall be extended to permit such election. In the event of an election to terminate, the Deposit shall be released to Buyer, and neither party shall have any liability to the other by reason hereof, except for any other provision of this Agreement that is expressly intended to survive the termination of this Agreement; or
- (b) In the event Buyer does not timely elect to terminate pursuant to subsection (a) above, the transaction contemplated hereby shall be closed without a reduction in the Purchase Price, and the Seller shall assign to Buyer the Seller's rights in any insurance proceeds or condemnation award to be paid to Buyer in connection with such Material Damage or Material Condemnation, and, in the case of Material Damage, the Seller shall pay to Buyer an amount equal to the deductible under the Seller's policy of casualty insurance and the Seller shall execute and deliver to Buyer all reasonably required proofs of loss and assignments of claims.

Section 6.02 Non-Material Damage; Non-Material Condemnation. If, prior to Closing, any of the improvements on the Property are damaged or destroyed and such damage is not Material Damage or Material Condemnation, Buyer shall remain obligated to close hereunder with no abatement in the Purchase Price. At Closing, the Seller shall assign to Buyer the Seller's rights in

any insurance proceeds to be paid to the Seller in connection with such damage or destruction, and Buyer shall receive a credit against the Purchase Price from Seller in an amount equal to the deductible amount under the Seller's casualty insurance policy and the Seller shall execute and deliver to Buyer all reasonably required proofs of loss and assignments of claims.

Article VII. GENERAL PROVISIONS

Section 7.01 Brokers. Seller and Buyer each hereby represent and acknowledge to each other that SRS Real Estate Partners is the listing broker and is acting as Seller's agent. CBRE is acting as Buyer's agent. All brokerage fees due to both Seller's agent and Buyer's agent shall be paid by the Seller.

Section 7.02 Notices. All notices, demands, requests, consents, approvals, or other instruments required or permitted to be given pursuant hereto shall be in writing and shall, subject to Section 7.05, be deemed to have been given and received upon: (i) receipt, if hand delivered; (ii) the next business day, if delivered by express delivery service or overnight courier service; (iii) the third (3rd) business day following the day of deposit of such notice in registered or certified United States mail, return receipt requested; or (iv) acknowledgment of receipt by the receiving party, sender's receipt of a receipt evidencing delivery from its email program, or the sender of an email notice otherwise does not receive any indication that such email did not get delivered properly to the applicable recipient, if sent using electronic mail. Notices shall be provided to the addresses (or email addresses, as applicable) specified below:

If to Seller:

Aurora Charter School BC
c/o Colorado Early Colleges
Attn: Executive Director Facility and Property
Management
1942 Broadway St. STE 314C
Boulder, CO 80302, US
Email: mark.murbach@coloradoearlycolleges.org

With copies to:

Charter School Law Group
Attn: Dustin Sparks and Theresa Damon
Email: dustin@dustinparkslaw.com and
theresad@dustinparkslaw.com

and
SRS Real Estate Partners
Attn: Patrick McGlinchey and Justin Gregory
Email: justin.gregory@srsre.com and
patrick.mcglinchey@srsre.com

If to Buyer:

Douglas County School District Re. 1
Attn: Chief Operations Officer
620 Wilcox Street
Castle Rock, CO 80104
Email: rdcosgrove@dcsdk12.org

With copies to:

Douglas County School District Re.1
Attn: General Counsel
Email: mary.klimesh@dcsd.k12.org

Caplan & Earnest LLC
Attn: Kristin Edgar
Email: kedgar@celaw.com

CBRE
Attn: Eric Roth
Email: eric.roth@cbre.com

Seller and Buyer may at any time change its addresses for such notices by delivering to the others, as aforesaid, a notice of such change.

Section 7.03 Further Assurances. Each of the parties hereto undertakes and agrees to execute and deliver such reasonable documents, writings and further assurances as may reasonably be required to carry out the intent and purpose of this Agreement, which obligation shall survive the Closing.

Section 7.04 Amendment: Waiver: Entire Agreement. No change or modification of this Agreement will be valid unless the same is in writing and signed by Buyer and Seller. No waiver

of any of the provisions of this Agreement will be valid unless in writing and signed by the party against whom enforcement is sought. This Agreement contains the entire agreement between the parties relating to the purchase and sale of the Property. All prior negotiations between the parties with respect to the purchase and sale of the Property are merged in this Agreement, and there are no promises, agreements, conditions, undertakings, warranties, or representations, oral or written, express or implied, between the parties other than as herein set forth.

Section 7.05 Dates and Times. Time is of the essence of this Agreement. Unless expressly stated otherwise, all time periods shall be measured in calendar days. If any date set forth in this Agreement for the delivery of any document or notice or the happening of any event should, under the terms hereof, fall on a weekend or a federal holiday or a holiday recognized in the State of Colorado, then such date shall be automatically extended to the next succeeding business day. Deliveries or events occurring subsequent to 5:00 p.m. Mountain time on a business day in the location of occurrence shall be deemed to have occurred on the next business day (e.g., notices due on a certain date must be received by 5:00 p.m. Mountain time on such date).

Section 7.06 Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Colorado. Any and all recitals or disclosures required by such laws or necessary thereunder to effectuate the expressed intent of the parties herein are hereby deemed incorporated into this Agreement by this reference; provided that should any such incorporated provision conflict with the express printed provisions hereof, the latter shall in all respects be controlling.

Section 7.07 Headings. The section headings, which appear in some of the Sections of this Agreement, are for purposes of convenience and reference and are not in any sense to be construed as modifying the Sections in which they appear.

Section 7.08 Assignments. Neither party shall assign this Agreement, without the express written consent of the other party, which consent will not be unreasonably withheld, provided that the proposed assignee accepts the terms of this Agreement. Notwithstanding the foregoing, upon ten (10) days' prior written notice to Seller and Escrow Agent, the Buyer named hereunder may assign this Agreement to an entity controlled by the Buyer named hereunder, provided Buyer shall provide a copy of such assignment to Seller promptly after execution thereof.

Section 7.09 Successors and Assigns. Subject to Section 7.08 herein, this Agreement is binding upon and shall inure to the benefit of the parties and their respective heirs, personal representatives, successors, and assigns.

Section 7.10 Survivability. All covenants and agreements of the parties, including, but not limited to, all indemnity obligations, which, by the context of this Agreement, are to be performed after or are to survive the termination of this Agreement or the Closing, will, as the case may be, survive the Closing or the termination of this Agreement.

Section 7.11 Counterparts. This Agreement may be executed in several counterparts, each of which will be deemed an original but all of which will constitute only one agreement. Facsimile and portable-document-format ("pdf") signatures shall be fully binding upon the parties and shall be deemed as if originals.

Section 7.12 Nonrecordation. The parties hereto agree that neither this Agreement nor any notice or memorandum thereof will be recorded in any public records. Violation of this provision will constitute a default hereunder by the party violating this provision.

Section 7.13 Attorneys' Fees. In the event of any action at law or in equity between Seller and Buyer to enforce any of the provisions and/or rights under this Agreement or on account of a breach of any term or provision hereof, the unsuccessful party to such litigation agrees to pay to the prevailing party all costs and expenses, including reasonable attorneys' fees, incurred therein by such prevailing party, including any such costs and expenses incurred in any appeal, and if such prevailing party shall recover judgment in any action or proceeding, such costs, expenses and fees shall be included in and as a part of such judgment. As used herein the term "prevailing party" means the party to such litigation that receives, whether by settlement or judgment, substantially the relief prayed for in such litigation. This provision will survive the Closing or any termination of this Agreement.

Section 7.14 Construction. The terms and provisions of this Agreement represent the results of negotiations between Seller and Buyer, each of which are financially sophisticated parties and each of which has been represented or been given the opportunity to be represented by counsel of its own choosing, and neither of which has acted under any duress or compulsion, whether legal, economic or otherwise. Consequently, the terms and provisions of this Agreement shall be interpreted and construed in accordance with their usual and customary meanings, and Seller and Buyer each hereby waive the application of any rule of law which would otherwise be applicable in connection with the interpretation and construction of this Agreement that ambiguous or conflicting terms or provisions contained in this Agreement shall be interpreted or construed by the party whose attorney prepared the executed Agreement or any earlier draft of the same. The parties agree that, regardless of which party provided the initial form of this Agreement, drafted or modified one or more provisions hereof, or compiled, printed or copied this Agreement, this Agreement shall be construed solely as an offer to purchase from Buyer, executed by Buyer and provided to Seller for acceptance on the terms set forth herein, which acceptance and the existence of a binding agreement between Buyer and Seller shall be evidenced by the execution hereof by Seller.

Section 7.15 No Personal Liability: Indemnity. Seller and Buyer agree that: (a) there will be absolutely no personal liability on the part of any shareholder, director, officer, employee or agent of Buyer or Seller with respect to any of the terms, covenants and conditions of this Agreement; and (b) any indemnity obligations in this Agreement running in favor of either Buyer or Seller shall also run in favor of the respective shareholders, directors, officers, members, partners, employees and agents of Buyer or Seller.

Section 7.16 No Agency. None of the provisions herein shall be construed to establish an agency, partnership or joint venture relationship between Seller and Buyer for any purpose.

Section 7.17 Recitals Incorporated. The recitals set forth at the beginning of this Agreement are hereby incorporated into this Agreement as if fully set forth herein.

Section 7.18 “AS IS” SALE; RELEASE. AS AN ESSENTIAL INDUCEMENT TO SELLER TO ENTER INTO THIS AGREEMENT, BUYER ACKNOWLEDGES, UNDERSTANDS AND AGREES AS OF THE DATE HEREOF AND AS OF THE CLOSING DATE AS FOLLOWS:

- (a) AS-IS, WHERE-IS. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT TO THE CONTRARY OR IN THE DEED, THE SALE OF THE PROPERTY HEREUNDER IS AND WILL BE MADE ON AN “AS IS, WHERE IS” BASIS AND SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE OF, AS TO, CONCERNING OR WITH RESPECT TO THE PROPERTY OR ANY OTHER MATTER WHATSOEVER.
- (b) DUE DILIGENCE MATERIALS. ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY IS SOLELY FOR BUYER’S CONVENIENCE AND WAS OR WILL BE OBTAINED FROM A VARIETY OF SOURCES. SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION (EXCEPT TO THE EXTENT EXPRESSLY PROVIDED IN THIS AGREEMENT TO THE CONTRARY). SELLER SHALL NOT BE LIABLE FOR ANY NEGLIGENT MISREPRESENTATION OR ANY FAILURE TO INVESTIGATE THE PROPERTY NOR SHALL SELLER BE BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS, APPRAISALS, ENVIRONMENTAL ASSESSMENT REPORTS, OR OTHER INFORMATION PERTAINING TO THE PROPERTY OR THE OPERATION THEREOF, FURNISHED BY SELLER, ITS AFFILIATES, EMPLOYEE, SERVANT OR OTHER PERSON OR ENTITY ACTING ON BEHALF OF SELLER (THE, “**SELLER RELATED PARTIES**”).
- (c) RELEASE. TO THE EXTENT PERMITTED BY LAW, BUYER RELEASES SELLER AND ALL SELLER RELATED PARTIES FROM ALL CLAIMS WHICH ANY BUYER OR ANY PARTY RELATED TO OR AFFILIATED WITH BUYER (A “**BUYER RELATED PARTY**”) HAS OR MAY HAVE ARISING FROM OR RELATED TO ANY MATTER OR THING RELATED TO OR IN CONNECTION WITH THE PROPERTY INCLUDING THE DOCUMENTS AND INFORMATION REFERRED TO HEREIN, ANY CONSTRUCTION DEFECTS, ERRORS OR OMISSIONS IN THE DESIGN OR CONSTRUCTION AND ANY ENVIRONMENTAL CONDITIONS, AND BUYER SHALL NOT LOOK TO ANY SELLER RELATED PARTIES IN CONNECTION WITH THE FOREGOING FOR ANY REDRESS OR RELIEF, EXCEPT FOR THOSE OBLIGATIONS OF SELLER UNDER THIS AGREEMENT WHICH ARE EXPRESSLY INTENDED TO SURVIVE THE CLOSING. THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH OF ITS EXPRESSED TERMS AND PROVISIONS, INCLUDING THOSE RELATING TO UNKNOWN AND UNSUSPECTED CLAIMS, DAMAGES AND CAUSES OF ACTION. BUYER MAY HAVE NO REMEDY AGAINST SELLER’S PREDECESSORS (IF ANY).

- (d) SURVIVAL. THIS SECTION 7.18 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT OR THE CLOSING DATE AND SHALL NOT BE DEEMED TO HAVE MERGED INTO ANY OF THE DOCUMENTS EXECUTED OR DELIVERED AT CLOSING. TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OR WARRANTIES CONTAINED HEREIN ARE “CONSPICUOUS” DISCLAIMERS FOR PURPOSES OF ANY APPLICABLE LAW, RULE, REGULATION OR ORDER.

Section 7.19 Severability. To the fullest extent possible, each provision of this Agreement shall be interpreted in such fashion as to be effective and valid under applicable law. If any provision of this Agreement is declared void or unenforceable with respect to particular circumstances, such provision shall remain in full force and effect in all other circumstances. If any provision of this Agreement is declared entirely void or unenforceable, such provision shall be deemed severed from this Agreement and this Agreement shall otherwise remain in full force and effect.

Section 7.20 Exclusivity. Seller shall have the right, directly or indirectly, through any officer, director, agent, representative or otherwise, to solicit, initiate, market or encourage the making of any inquiries, engage in negotiations or other substantial discussions or enter into any agreement with any party for back-up offers with respect to the Property.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

SELLER:

AURORA CHARTER SCHOOL BC,
a Colorado nonprofit corporation

By: _____
Name: Jessie Mathis
Its: Board President

Attest:

BUYER:

Douglas County School District Re. 1, a Colorado
public school district

By: _____
Name: Christy Williams
Its: President, Board of Education

Attest:

**EXHIBIT A
TO PURCHASE AND SALE AGREEMENT**

LEGAL DESCRIPTION

The land situated in the County of Douglas, State of Colorado and described as follows:

(To be updated from title commitment)

LOT 1A, PARKGLENN SUBDIVISION FILING NUMBER 2 - 1ST AMENDMENT,
ACCORDING TO THE PLAT THEREOF RECORDED MARCH 28, 2003 AT RECEPTION
NO. 2003040871, COUNTY OF DOUGLAS, STATE OF COLORADO.

EXHIBIT B
TO PURCHASE AND SALE AGREEMENT
FORM OF SPECIAL WARRANTY DEED

After Recording Return to:

SPECIAL WARRANTY DEED

Aurora Charter School BC, a Colorado nonprofit corporation created and existing under and by virtue of the laws of the State of Colorado (“Grantor”), whose principal place of business is 4424 Innovation Drive Fort Collins, CO 80525, for ten dollars (\$10.00) and other good and valuable consideration, in hand paid, hereby sells and conveys to Douglas County School District Re. 1, a Colorado public school district (“Grantee”), whose street address is 620 Wilcox Street, Castle Rock, CO 80104, the following real property in the County of Douglas, State of Colorado, to wit:

The real property described on Exhibit A attached hereto (the “Property”), with all its appurtenances, and warrants the title to the same against all persons claiming under Grantor, but no others, except for the matters set forth on Exhibit B attached hereto.

Exhibit A to *Special Warranty Deed*
LEGAL DESCRIPTION OF PROPERTY

The land situated in the County of Douglas, State of Colorado and described as follows:

(To be updated from title commitment)

Exhibit B to *Special Warranty Deed*

PERMITTED EXCEPTIONS

(TO BE UPDATED FROM TITLE COMMITMENT)

4894-0974-7373, V. 1
4884-7187-4221, V. 1
4884-7187-4221, V. 1
4877-5843-8318, V. 1
4877-5843-8318, V. 1
4888-7252-1648, V. 1
4872-6177-8352, V. 1