

## **AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY AND ESCROW INSTRUCTIONS**

This Agreement for Purchase and Sale of Real Property and Escrow Instructions (“Agreement”) is made and entered into as of this 6th day of August, 2024 (the “Effective Date”) by and between the following parties (together, “Parties”):

**ARENALABS, LLC**, a Wyoming limited liability company (“Seller”); and

**ARCHULETA BOARD OF COUNTY COMMISSIONERS**, a statutorily created Colorado county government (“Buyer”),

with reference to the recitals of facts and intentions and for the purpose of confirming the covenants hereinafter set forth.

### **RECITALS**

The Parties acknowledge that the following Recitals are true and correct and constitute an integral part of this Agreement:

- A. Seller is developing parcels of real property totaling approximately 100 acres, located at TBD X W Highway 160, Pagosa Springs, Colorado 81147 (the “Real Property”), the approximate legal description of which is identified on **Exhibit A** attached hereto and made a part hereof.
- B. It is the intention and desire of Seller and Buyer that Seller shall sell, transfer and convey to Buyer, and Buyer shall purchase and acquire from Seller, approximately 5.0 acres, or 217,800 square feet, of the Real Property (the “Sale Parcel”), with the approximate location identified in **Exhibit B**. The exact and final location and size for the Sale Parcel is to be determined at a later date, in accordance with the terms, provisions, covenants, conditions and agreements (collectively, “Provisions”) of this Agreement.
- C. It is the intention and desire that Buyer shall diligently build and deliver a new county administration building on the entire Sale Parcel, and main entry road connecting through the Sale Parcel, in accordance with the Real Property Covenants, Conditions, and Restrictions, and design guidelines therein and as set forth herein (the “Project”).
- D. It is the intention of the Parties that this Agreement shall be, constitute and represent not only an agreement between the Parties with respect to the transactions contemplated hereby, but also escrow instructions to the Escrow Agent (as hereinafter defined) with respect to such transactions.

### **COVENANTS**

In light of the foregoing Recitals, which are incorporated herein by this reference thereto, and in consideration of the Covenants hereinafter expressed, the Parties agree as follows:

**ARTICLE 1  
SALE AND PURCHASE**

1.1. At the Closing (as hereinafter defined), Seller shall sell, assign, transfer, and convey all of the Sale Parcel to Buyer, and Buyer shall purchase and acquire all of the Sale Parcel from Seller, in consideration of the payment of the Purchase Price (as hereinafter defined) by Buyer to Seller and the mutual performance by Seller and Buyer of the Provisions of this Agreement. The Real Property expressly includes all rights and privileges appurtenant thereto owned by Seller.

**ARTICLE 2  
PURCHASE PRICE**

2.1 The purchase price of the Real Property shall be **Ten Dollars (\$10.00) per square foot** of property contained in the Sale Parcel, currently estimated to be 217,800 square feet, resulting in a purchase price of **Two-Million, One-Hundred Seventy-Eight Thousand Dollars and No/100 (\$2,178,00.00) (“Purchase Price”)**. **The final price will be determined per the lot size outlined in section 9.4.**

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

2.2.1 The sum of Ten Thousand and 00/100 Dollars (\$10,000) in the form of immediately available funds (“Earnest Money”), which shall be deposited with the Escrow Agent by Buyer within three (3) business days after the Effective Date and disbursed to Seller at the Closing, unless provided otherwise as set forth herein; and

2.2.2 The balance in the form of either cash or immediately available funds which shall be deposited with the Escrow Agent at or prior to the Closing and disbursed to Seller at the Closing, unless provided otherwise as set forth herein. The remaining Purchase Price balance is approximately \$2,168,000, less any additional earnest money deposit(s).

2.3 The Earnest Money shall be deposited with the Escrow Agent either in cash, by wire transfer or by a cashier’s check payable to the order of the Escrow Agent. All current funds deposited by Buyer with the Escrow Agent prior to Closing shall be deposited or invested in the name of the Escrow Agent in an account with a federally insured bank with an office in Colorado selected by Buyer. The Escrow Agent shall deposit or invest such funds at the highest rate of interest or income available from such bank taking into account the amount of such funds, the anticipated period of time such funds are expected to remain so deposited or invested and penalties or losses in interest or income which will be incurred as a result of early withdrawal or other recovery of the funds so deposited or invested necessitated in order to effectuate the Closing. The cash or immediately available funds portion of the Purchase Prices payable by Buyer at the Closing shall be made payable to the order of the Escrow Agent.

**ARTICLE 3  
CLOSING; PRORATION; TITLE STATUS**

3.1 Subject to the provisions of Article 6 below, the closing of the transaction contemplated by this Agreement (“Closing”) shall occur within sixty (60) days of the completion of the Investigation Period, unless Buyer and Seller agree on a different Closing date in a writing executed by both Parties.

3.2 *Colorado Title and Closing Services*, 456 Lewis St, Pagosa Springs, Colorado, 81147,

Attention: Mr. James Vincent, shall be and act as “Escrow Agent” in connection with the Closing. Seller and Buyer shall each pay one-half (1/2) of the Escrow Agent’s fees and expenses incurred in connection with the Closing.

3.3 Recording and filing fees shall be paid in a manner customary in Archuleta County, Colorado. All real property taxes and assessments, together with interest and penalties thereon or with respect thereto, and other proratable items, except those expressly provided for below, shall be conclusively prorated as of the date of the Closing based upon the latest information available therefor from governmental authorities or other sources. There shall be no subsequent adjustment as to such prorations after the Closing.

3.4 At the Closing, Seller shall transfer and convey fee simple title to the Real Property to Buyer by good and valid special warranty deed (“Deed”) subject only to the Approved Exceptions (as hereinafter defined). Also, at Closing, Seller shall deliver to Buyer a certificate duly executed and acknowledged by Seller certifying that Seller is not a foreign person for purposes of the Foreign Investment in Real Property Tax Act, as amended. Finally, at closing, Seller shall deliver to Buyer the Owner Carry documents as it relates to Article 9 herein.

3.5 At the Closing, Seller shall, at Seller’s expense, deliver to Buyer an ALTA standard coverage owner’s policy of title insurance (“Title Policy”) issued by the Escrow Agent covering the Real Property in the full amount of the Purchase Price, subject to the Approved Exceptions. In the event Buyer requests an extended coverage title policy to be issued or any endorsements, Buyer shall pay any additional premium or cost therefor, and shall pay for and satisfy any conditions and requirements relating thereto.

3.6 At or prior to the Closing, the Parties shall do and perform all acts, pay all sums and execute, acknowledge if required, and deliver all documents and instruments proper, desirable or convenient for the purpose of fully effectuating the Closing in accordance with the Provisions of this Agreement. Any such document or instrument to be executed and delivered in connection with the Closing, unless attached as an Exhibit hereto, shall be in the form, if any, regularly utilized by the Escrow Agent modified to conform with the Provisions hereof. If the Escrow Agent does not regularly utilize a form of any such document or instrument, the form of such document or instrument shall be as reasonably agreed upon by the Parties.

#### **ARTICLE 4 DELIVERIES BY SELLER**

4.1 Seller shall cause to be delivered to Buyer within seven (7) days after the Effective Date a commitment for the Title Policy (“Commitment”) issued by the Escrow Agent pertaining to the Real Property setting forth all matters of record affecting title thereto or ownership thereof, accompanied by the recording information as to, and legible copies of, all items referred to in the Commitment as exceptions to title to the Real Property. Seller will make available to Buyer, without representation or warranty, any and all existing studies, plats, surveys, engineering data, tests, reports, and other information in Seller’s possession or control relating to the Real Property, to the extent such exist (collectively, “Property Materials”).

4.2 Buyer acknowledges and agrees that (a) the Property Materials have been prepared by third parties, (b) Seller has not verified the truthfulness or accuracy of any information contained in the Property Materials, and (c) Seller is providing the Property Materials to Buyer as a courtesy only and makes no representation or warranty as to the truthfulness or accuracy of any statements or information

contained therein. Buyer hereby (i) agrees that Seller shall have no liability to Buyer in connection with the Property Materials, it being expressly understood and agreed that Buyer shall look solely to the third party or third parties who prepared such items or materials for recovery of any loss, claim, damage or injury sustained by Buyer as a result of any act or omission committed by such third party or third parties in connection with the preparation of such items or materials, (ii) acknowledges that Buyer may have no rights against such third party or third parties, and (iii) acknowledges and agrees that Buyer may wish to get Buyer's own professionals to verify the accuracy of the information contained in the Property Materials and/or update such information.

## **ARTICLE 5 BUYER'S INVESTIGATION AND APPROVAL**

5.1 Buyer's obligation, liability and responsibility to pay and perform the Provisions of this Agreement are contingent and conditioned upon Buyer's satisfaction with and approval of all matters and circumstances with respect to, pertaining to or involving the Sale Parcel and the prospective use and utilization thereof by Buyer.

5.2 During the period of time commencing as of the date first set forth above and ending at 5:00 PM (MST) one hundred and twenty (120) days after the Effective Date (the "Investigation Period"), Seller shall permit Buyer, its agents and representatives access to the Real Property (which permission shall continue through the date of the Closing) to make and conduct its own independent investigation, examination and evaluation of and as to all matters and circumstances Buyer considers to be significant with respect to, pertaining to or involving the Real Property. Seller may, in Seller's sole discretion, extend the Investigation Period based upon Seller required applications, including but not limited to the Town of Pagosa Springs, PAWS, LPEA, CDOT, USACE, and possible public financing applications (i.e. Metro District).

5.3 Within ten (10) days after receipt by Buyer of the Commitment and related items set forth in Section 4.1 above, Buyer shall deliver to Seller and the Escrow Agent written notice of those exceptions to title shown on the Commitment which are not satisfactory to and are disapproved by Buyer (collectively, "Rejected Exceptions"); provided, however, that if such written notice is not delivered by Buyer to Seller and the Escrow Agent within said period, Buyer shall be deemed to have accepted the condition of title as shown in the Commitment, subject to any requirements set forth in the Commitment. All exceptions to title shown on the Commitment which are not Rejected Exceptions shall be and constitute "Approved Exceptions". Upon Seller's receipt of such notice of Rejected Exceptions, Seller shall have the option, in its sole discretion, to elect to either (i) endeavor and attempt to, and undertake such acts and activities as are necessary or required in order to cure, remedy, discharge or otherwise remove of record all of the Rejected Exceptions, or (ii) elect not to cure, remedy, discharge or otherwise remove of record any Rejected Exception. If Seller elects not to cure, remedy, discharge or otherwise remove of record any Rejected Exception, Seller shall notify Buyer of such election any time up to five (5) days prior to the expiration of the Investigation Period, in which event Buyer may at the end of the Investigation Period elect to either (i) waive such Rejected Exception(s) or (ii) effectively terminate this Agreement in the manner and with the effect set forth in Section 8.4 below by delivering the Disapproval Notice as defined and provided for below. In the event of Buyer's failure to deliver the Disapproval Notice, all Rejected Exceptions, except those which Seller shall have elected in writing to cure, remedy, discharge or otherwise remove of record as provided above, shall then be and constitute Approved Exceptions. In the event that a supplemental Commitment (each, a "Supplemental Commitment") is issued disclosing an additional exception or a modification of the legal description of the Real Property,

the party receiving the same will deliver a copy thereof to the other party (unless it is determined that the other party has already received it) and the provisions of this Section will apply to such additional exception or modification except that the time limits referenced therein will be modified as follows: (1) Buyer will have five (5) Business Days from the date of receipt of each Supplemental Commitment to disapprove any new exception or modification; (2) Seller will have three (3) Business Days to respond to Buyer's notice of disapproval; and (3) Buyer will have three (3) Business Days after receipt of Seller's notice of intention to remedy the disapproval made by buyer, if it elects to do so, provided, however, in no event shall the date of Closing be extended to accommodate the foregoing. Prior to expiration of the Investigation Period, Buyer shall have the right to object to any exceptions to title shown on the Commitment which are not satisfactory to and are disapproved by Buyer, and which did not appear on the initial title commitment.

5.4 If Buyer is not satisfied with or does not approve all matters and circumstances subject to its investigation, examination and evaluation of the Real Property, Buyer must transmit notice of the same ("Disapproval Notice") to Seller and the Escrow Agent on or before the last day of the Investigation Period in writing; and only upon such event shall this Agreement be canceled and terminated, such cancellation and termination to have the effect set forth in Section 8.4 below with Buyer to receive all Earnest Money deposited by Buyer as required hereunder, together with all interest and income earned thereon. Failure by Buyer to transmit the Disapproval Notice shall be and constitute satisfaction with and approval of all matters and circumstances subject to its investigation, examination and evaluation of the Real Property and ratification of confirmation of Buyer's obligation to deposit the Additional Earnest Money as provided above, if any.

5.5 Buyer shall pay for, restore or otherwise appropriately remedy all damages to the Real Property arising from or as a result of entry upon the Real Property by or on behalf of Buyer during the course of Buyer's investigation, examination and evaluation thereof.

5.6 If Buyer elects to terminate this Agreement, Buyer agrees to provide to Seller all investigation materials, plans, engineering, proformas, marketing materials, designs and other materials used during the Investigation Period, at no cost to Seller.

## **ARTICLE 6 CONDITIONS OF CLOSING**

6.1 Notwithstanding any other provisions contained herein, Buyer's duties, obligations, liabilities and responsibilities to effectuate the Closing and perform hereunder are also conditioned and contingent upon Seller having performed and complied in all material respects with all covenants and conditions of this Agreement on its part to be performed and complied with prior to or on the date of the Closing.

6.2 Notwithstanding any other provisions contained herein, Seller's duties, obligations, liabilities and responsibilities to effectuate the Closing and perform hereunder are also conditioned and contingent upon Buyer having performed and complied in all material respects with all covenants and conditions of this Agreement on its part to be performed and complied with prior to or on the date of the Closing.

6.3 Buyer understands that Seller is currently undergoing master planning, utility supply studies, Environmental Inspections, and similar studies (collectively referred to as "Seller Studies"). Seller expects to receive title from a third party at the time its masterplan and inspection(s) are complete.

Buyer understands Seller may terminate this contract in the event Seller Studies, including but not limited to, those from PAWS, and any relevant governmental organizations, are not acceptable to Seller. In the unlikely event this occurs, Buyer will receive a full refund of Earnest Money, as Buyer's sole remedy.

**ARTICLE 7**  
**SELLER'S REPRESENTATIONS, WARRANTIES AND COVENANTS**

7.1 Seller warrants and represents to Buyer that as of the date of this Agreement:

7.1.1 Seller has full power, authority and legal right to execute this Agreement and to carry out all of Seller's obligations under this Agreement, and this Agreement constitutes the valid and binding obligations of Seller in accordance with its terms, subject to its conditions;

7.1.2 To the best of Seller's knowledge, there are no condemnation or eminent domain proceedings pending or threatened against the Real Property or any part thereof;

7.1.3 Seller is a limited liability company validly existing under the laws of the State of Wyoming.

7.1.4 At and after the Closing, there will be no tenants or lessees in possession of the Sale Parcel.

7.1.5 To Seller's knowledge, Seller has not generated, treated, stored, disposed of, transported or released Hazardous Materials at, on, from or beneath the Property (except for Hazardous Materials used by tenants in the ordinary course of business and in compliance with law). For purposes of this Agreement, "Hazardous Materials" will include hazardous substances as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9601, et seq.), and any other hazardous or toxic materials under any federal, state or local laws or regulations relating to protection of health, safety or the environment. During Seller's ownership of the Property, there have been no governmental or regulatory actions concerning the Property regarding the cleanup, removal or remediation of Hazardous Materials.

7.1.6 To Seller's knowledge, Seller has not incurred nor is Seller subject to any liabilities or obligations, whether accrued, absolute or contingent which are not disclosed in the Seller Information.

7.1.7 As of the Closing Date, no portion of the Property will be affected by any financing statements granted by Seller.

7.1.8 The foregoing representations and warranties will survive for a six (6) month period following the Closing date, at which time such representations and warranties will terminate.

The execution and delivery by Seller of the Deed pursuant to this Agreement shall constitute confirmation and reaffirmation by Seller that the foregoing are true and correct on and as of the date of the Closing as though made on and at such time. Any representation or warranty, with respect to the existence or absence of facts, qualified by the phrase "to the best of Seller's knowledge" is intended to indicate that no information has come to David Drago's attention which would give it actual knowledge of the existence

or absence of such facts. Except as otherwise expressly stated herein, Seller has not undertaken (and is not required to undertake) any independent investigation to determine the existence or absence of such facts.

7.2 Buyer acknowledges that Buyer has had or will have had the opportunity to independently and personally inspect the Real Property and that Buyer has entered into this Agreement based upon its ability to make such examination and inspection. The Real Property is to be sold to and accepted by Buyer at Closing in its then condition, **“AS IS” WITH ALL FAULTS, AND WITHOUT ANY WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, SELLER MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND TO BUYER, INCLUDING, WITHOUT LIMITATION, THE PHYSICAL CONDITION OF THE REAL PROPERTY. BUYER HAS RELIED ON ITS INVESTIGATIONS OF THE REAL PROPERTY IN DETERMINING WHETHER TO ACQUIRE IT. THE PROVISIONS OF THIS SECTION ARE A MATERIAL PART OF THE CONSIDERATION FOR SELLER’S ENTERING INTO THIS AGREEMENT, AND SHALL SURVIVE CLOSING.**

**ARTICLE 8  
DEFAULT; REMEDIES; CANCELLATION AND TERMINATION**

8.1 In the event Seller breaches or becomes in default under this Agreement on or prior to the date of the Closing, Buyer shall be entitled only to cancel and terminate this Agreement in the manner and with the effect hereinafter set forth in Section 8.3 and receive all Earnest Money deposited by Buyer as required hereunder, together with all interest and income earned thereon and collect from Seller its expenses related to this transaction (in an amount limited to \$1,500.00).

8.2 Both Parties agree that in the event Buyer breaches or becomes in default under this Agreement on or prior to the date of the Closing it will be extremely difficult and impracticable to determine the full extent of Seller’s detriment and, consequently, the Parties agree that Seller’s sole and exclusive remedy in such event shall be to cancel and terminate this Agreement in the manner and with the effect set forth in Section 8.3 below and, as provided therein, to receive from the Escrow Agent and retain all of the Earnest Money deposited with the Escrow Agent, together with all interest or income earned thereon, as liquidated damages; said sums being specifically agreed herein to be in lieu of any other monetary relief which Seller might otherwise be entitled to recover from Buyer by virtue of the Provisions of this Agreement or by operation of law. In addition to the foregoing, all reports, studies, rezoning applications, development plans submittals and other documentation prepared by or at the request of Buyer relating to all or any portion of the Real Property shall be delivered to Seller which shall become the property thereof.

8.3 In the event either of the Parties, being entitled to do so pursuant to the Provisions of this Agreement, elects to cancel and terminate this Agreement on or prior to the date of the Closing, such Party, unless otherwise provided herein, shall give written notice of cancellation and termination to the Escrow Agent in the manner hereinafter set forth for the giving of notices and shall immediately thereafter deliver a copy of such notice to the other Party. If either Party cancels and terminates this Agreement in the foregoing manner for any reason provided herein as a basis for cancellation and termination, then (i) the Escrow Agent shall forthwith deliver the Earnest Money, together with all interest and income received thereon, to the Party that is entitled to the Earnest Money as set forth in more detail herein, (ii) the Escrow Agent shall forthwith redeliver all documents, instruments and other funds theretofore deposited into escrow to the Party which deposited the same, and (iii) except as provided otherwise in this Article 8 and for those Provisions hereof which by their nature are intended to be effective in the event of cancellation and termination, this Agreement shall immediately and without

further action by any Party become null and void and of no further force or effect and no Party shall thereafter have any liability or obligation whatsoever to any other in connection herewith; provided, however, that immediately thereafter Buyer shall return to Seller all Property Materials then in Buyer's possession or control.

8.4 In the event this Agreement is automatically canceled and terminated pursuant to the Provisions of this Agreement, (i) the Escrow Agent shall forthwith redeliver all documents, instruments and funds theretofore deposited into escrow, together with all income and interest received thereon, to the Party which deposited the same pursuant to the Provisions of this Agreement, and (ii) except as may be provided otherwise in this Article 8 and for those Provisions hereof which by their nature are intended to be effective in the event of cancellation and termination, this Agreement shall immediately and without further action by any Party become null and void and of no further force or effect and no Party shall thereafter have any liability or obligation whatsoever to any other in connection herewith; provided, however, that immediately thereafter Buyer shall return to Seller all Property Materials then in Buyer's possession or control.

## **ARTICLE 9 SPECIAL PROVISIONS**

9.1 If, prior to the Closing, all or any material part of the Real Property shall be condemned or be subject to any pending or threatened condemnation by any governmental or other lawful authority, Buyer may, at its option, either:

9.1.1 Complete the purchase of the Real Property as provided herein, in which event all of the condemnation proceeds shall be payable to Buyer or, if such proceeds are not then available, Seller shall assign all claims therefor and all right, title and interest thereto to Buyer; or

9.1.2 Cancel and terminate this Agreement and all obligations of Buyer hereunder in the manner and with the effect provided in Section 8.3 above.

9.2 Each Party represents and warrants to the other that it has dealt with no real estate broker or salesman or finder in connection with the subject matter of this Agreement, except Shelly Low, Broker with EXIT Realty Home & Ranch ("Sellers Agent"), whose commission shall be paid exclusively by Seller pursuant to a separate agreement if the Closing occurs as provided herein. The foregoing commission shall be deemed earned only in the event the Closing occurs as provided herein. It is hereby disclosed that certain principals or affiliates of the Parties and entities affiliated therewith may be licensed real estate brokers or salespersons.

9.3 Buyer acknowledges that, prior to the Closing, Seller may create and record limited covenants, property restrictions and other development agreements (hereinafter "Covenants") against the Real Property and Sale Parcel. Seller shall not record any Covenants against the Sale Parcel without the prior written approval of such Covenants by the Buyer. Any such Covenants shall not unreasonably add to the construction cost of any building or related improvements on the Sale Parcel. For purposes of this section, "unreasonable" shall be defined as an increase of ten percent (10%) or more in the cost of construction above that if the Covenants did not apply to the Sale Parcel. Any new or amended covenants shall be copied to Buyer. Buyer acknowledges that Seller and/or the Subdivision may create and record ongoing covenants over the Property governing approval of all buildings, fencing, operations, open areas and access to the Property. The additional covenants may also limit uses of the Property, require implementation of easements and access restriction, necessitate sharing of access and curb cuts, as well



as the eventual disposition and sale of the property; provided, however, that no new or amended covenant shall eliminate or materially affect the right of Buyer to use and improve the Property for the purpose for which it is being acquired or unreasonably add to the construction cost of any building or related improvement on the Sale Parcel. Notwithstanding the provisions of this Section 9.3, while Buyer shall be obligated to comply with all property restrictions, Buyer shall not be required to be a member of any association or pay any dues related to an association.

9.4 Sale Parcel Size: Both Parties agree that prior to Closing, Buyer shall deliver and record an amended plat showing the final size of the Sale Parcel. The final size of the Sale Parcel shall determine the amounts owed in Section 2.

9.5 Site Plan: Buyer acknowledges that prior to Closing, at Buyer's sole cost and expense, it shall provide to Seller a professionally drafted site plan showing the layout of the buildings, parking lots, curb access, landscaping, and final site design on both the Sale Parcel.

9.6 Entrance Road: Buyer and Seller have had preliminary discussions regarding the Buyer constructing an entrance road off of South Pagosa Blvd (the "Entrance Road"). However, the Parties acknowledge that additional details about the construction of the Entrance Road are needed. Therefore, the Parties will seek to negotiate an agreement separate from this Agreement regarding such construction and nothing within this Agreement shall be binding on the Parties regarding this construction.

9.7 Standstill Agreement. Upon execution of this Agreement, and until the Closing, the Seller agrees not to engage in negotiation for the sale of the Property with any other party, unless: (a) this Agreement is terminated, or (b) the Closing does not occur by the Closing Date.

## ARTICLE 10 GENERAL PROVISIONS

10.1 Escrow Agreement. This Agreement, in addition to being a binding contract between the Parties, constitutes escrow instructions to the Escrow Agent and the Escrow Agent is hereby authorized, directed and empowered to undertake and perform all acts reasonably required to be performed by it for the purpose of effectuating the closing of the transactions contemplated hereby in accordance with the Provisions hereof. The Parties agree to execute such other and further instructions to the Escrow Agent, not inconsistent herewith, which the Escrow Agent might require to effectuate the Closing. In the event of any inconsistency between the terms and provisions of any such other and further escrow instructions and the terms and provisions hereof, the terms and provisions of this Agreement shall govern and control.

10.2 Notices. All notices, demands, requests, elections or other communications required or permitted to be given by either Party to the other shall be in writing and shall be either (i) personally delivered, (ii) sent by facsimile or (iii) deposited in the United States mail, first-class registered or certified postage prepaid, return receipt requested, and addressed to the Parties as follows:

To Seller:	ArenaLabs, LLC P.O. Box 1267 Montrose, CO 81402 Attention: David Drago Email: <a href="mailto:david@coloradooutdoors.co">david@coloradooutdoors.co</a>
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With a copy to: Warner Angle  
Michael F. Beethe, Esq.  
2555 East Camelback Road, Suite 800  
Phoenix, AZ 85016  
Email: mbeethe@warnerangle.com

To Buyer: Archuleta Board of County Commissioners  
Veronica Medina Chair,  
PO Box 1507 / 398 Lewis Street  
Pagosa Springs, CO 81147  
Email: veronica.medina@archuletacounty.org

With a copy to: Todd A. Weaver, Esq.  
Archuleta County Attorney's Office  
PO Box 1507 / 398 Lewis Street  
Pagosa Springs, CO 81147  
Email: tweaver@archuletacounty.org

Copies of all notices, demand, requests, elections, or other communications given prior to the date of the Closing shall be similarly delivered or mailed to the Escrow Agent at the address set forth in Section 3.2 hereof. Notices, demands, requests, elections, or other communications shall, if personally delivered or sent by email transmitted prior to 5:00PM Colorado time (provided that confirmation of successful transmission is generated at such time), be effective upon receipt, and if mailed, be effective upon the earlier of (i) actual receipt, or (ii) two (2) days after first being deposited in the United States mail as indicated by the postmark thereon. Any email sent after 5:00PM Colorado time shall be deemed effective on the next business day on which the Escrow Agent is open for business. The Parties and any other parties entitled to receive copies of notices, demands, requests, elections or other communications shall be entitled to change the address to which the same shall be delivered or mailed by giving written notice of such change of address in the manner provided for the giving of other notices.

10.3 Survival. Those Provisions contained herein which, by their nature, require the Parties to observe obligations or perform certain acts subsequent to the Closing shall survive the Closing and shall be fully enforceable thereafter in accordance with the purposes and intentions thereof.

10.4 No Waiver. No delay or omission on the part of either Party to assert or attempt to enforce any right or privilege hereunder shall be deemed to be a waiver of such right or privilege or any other right or privilege for any purpose or to any extent whatsoever.

10.5 Captions/Headings. The captions and headings of sections and articles of this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent thereof or any of the Provisions hereof. All pronouns utilized herein shall be deemed to apply to all genders and numbers as the context requires to make them properly applicable to the Parties and any and all third parties.

10.6 Governing Law. The Real Property is located in the State of Colorado and the performance of the obligations of the Parties are to be performed in the State of Colorado and, therefore, this Agreement shall be construed, interpreted and enforced in accordance with the substantive laws of the State of Colorado, both statutory and decisional.

10.7 Assignment. This Agreement shall be binding upon and shall inure to the benefit of, and

shall be enforceable by, the Parties and their respective heirs, beneficiaries, personal representatives and successors, successors in interest and assigns; provided, however, that Seller shall have the right to assign its interests hereunder without the prior written consent of Buyer. If the date upon which any duty or obligation to be performed by any Party hereunder falls on a Saturday, Sunday, legal holiday or other date on which the Escrow Agent's offices are not open for business, then the date by or on which such duty or obligation is to be performed as provided herein shall be extended until the next day that such offices are open for business.

10.8 Entire Agreement. This Agreement represents the entire agreement between the Parties with respect to the subject matter hereof. All prior agreements are hereby terminated. Neither Seller nor Buyer have made or make representations or warranties except as set forth herein. This Agreement may be amended, modified or supplemented only by an instrument in writing signed by the Parties against which enforcement of such amendment, modification or supplement is sought.

10.9 Amendment/Modification. Except as otherwise provided in writing to Buyer, no salesman, broker, employee or subcontractor of Seller has any authority to modify the terms hereof, nor any authority to make any representation or agreement not contained in this Agreement, and no person on behalf of Seller is authorized to make any future oral agreement upon which Buyer may rely to cancel, change or modify any portion of this Agreement. This Agreement is the result of negotiations between the parties hereto and, accordingly, shall not be construed for or against either Party regardless of which Party drafted the Agreement or any portion thereof.

10.10 Execution/Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed, construed, and considered to be an original, but all of which shall constitute one and the same instrument, when signed by both of the Parties.

10.11 No Partnership. Except as explicitly contained in a separate partnership agreement, nothing contained in this Agreement or in any other document, correspondence or communication relating hereto, shall create a joint venture, partnership, agency or other similar arrangement or relationship by or between the Parties, nor do either of the Parties intend to create the same; and nothing contained herein shall be construed to make the Parties partners, joint ventures or agents or to render either Party hereto liable for any of the debts or obligations of the other party.

10.12 Cooperation. The parties hereto agree to cooperate with each other in every reasonable way in carrying out the transaction contemplated hereby, in obtaining and delivering all required Closing documents and obtaining all required information and governmental approvals, and agree to use their best efforts to expeditiously accomplish same. Such cooperation shall not include the obligation of any party to incur expense to accomplish tasks assigned to the other party hereunder.

10.13 Time of Essence. Time is of the essence of this Agreement.

10.14 Public Disclosures: Seller and Purchaser shall consult with each other and must agree to the timing, content, and form before issuing any press release or other public disclosure relating to this Agreement. However, this does not prohibit either party from making a public disclosure to the extent required by applicable law, subject to the ordinary protections of attorney-client privileges or those provisions which are protected under the Colorado Open Records Act, as amended.

IN WITNESS THEREOF, the Parties have executed this Agreement as of the day and year first written above.

SELLER:

ARENALABS, a Wyoming limited liability company

By: David Dragoo  
David Dragoo, its Authorized Representative

BUYER:

ARCHULETA BOARD OF COUNTY COMMISSIONERS, a Colorado County Government

By: \_\_\_\_\_  
Veronica Medina, Chair

Colorado Title & Closing Services hereby accepts the foregoing Agreement, hereby agrees to act as Escrow Agent hereunder.

Colorado Title & Closing Services

By: \_\_\_\_\_

Title: \_\_\_\_\_

**Exhibit "A"**  
**The Real Property**

Subdivision: PAGOSA LAKES PLAZA MINOR IMPACT Tract: 1 PLPM Sec: 20 Twn: 35 Rng: 2W, approx 24.86 acres, & Tract 2 PAGOSA LAKES PLAZA MINOR IMPACT Tract: 2 PLPM Sec: 21 Twn: 35 Rng: 2W, approx 17.32 acres & Tract 3 PAGOSA LAKES PLAZA MINOR IMPACT Lot: 3, PLPM Sec: 20 Twn: 35 Rng: 2W PLPM Sec: 21 Twn: 35 Rng: 2W, approx. 57.58 acres or as defined by final accepted title commitment

known as: X W Highway 160, Pagosa Springs, CO 81147 (Property)

## Exhibit "B" The Sale Parcel

A portion of the Real Property, approx. 5.00 acres, to be defined by the final accepted survey/plat.  
And as further highlighted below:

