

V5 (1/14/2024)

AGREEMENT FOR ECONOMIC DEVELOPMENT AND PURCHASE/ SALE OF REAL PROPERTY

(315-335 Record Street)

Between

City of Reno, as Seller

and

Ulysses Acquisition LLC, a Delaware limited liability company, as Buyer

Dated as of _____ (the “Effective Date”)

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Art. 1 PARTIES; TERMS AND DEFINITIONS.

§1.01 Schedule of Information

THIS AGREEMENT FOR ECONOMIC DEVELOPMENT AND PURCHASE/SALE OF REAL PROPERTY (the “Agreement”) is by and between the Buyer and Seller identified below (the “Parties”) and involves the following real property identified below (the “Property”):

<i>a.</i>	<i>Buyer</i>	Ulysses Acquisition LLC, a Delaware limited liability company 210 University Boulevard, Suite 460 Denver, CO 80206 Authorized Representative:
<i>b.</i>	<i>City/ Seller</i>	City of Reno, Nevada, a municipal corporation One East First Street P.O. Box 1900 Reno, Nevada 89509 Authorized Agent: Property Agent
<i>c.</i>	<i>Escrow Agent</i>	Royal Abstract Michael J. Roberts, Esq.

expand existing commercial enterprises that will create and retain opportunities for employment for residents of the City (“Economic Development Project”). As required by NRS 268.063(2), appraisals have been obtained and the City Council of the City of Reno (“City Council”) has adopted a resolution setting the value of the Property as appraised and determining that it is in the best interest of the City to sell the Property at its full value to Buyer without offering the Property to the public in exchange for an agreement to build and operate the Economic Development Project and the covenants set forth in this Agreement.

D. Buyer and Seller have entered into an Exclusive Negotiating Agreement dated October 23, 2024 (the “ENA”), which ENA contemplates that Buyer and Seller will negotiate and finalize this Agreement.

E. From and after the “Close of Escrow”, as defined in Section 4.11(c) below, the Property will be subject to the “NHD Covenant”, as defined in Section 3.01(c) below.

NOW THEREFORE, in exchange for the mutual covenants expressed herein and the sale of the Property to Buyer without public auction, the Parties agree as follows.

Art. 3 ECONOMIC DEVELOPMENT PROJECT

§3.01 *Description of Economic Development Project*

a. The Project shall include the development on the Property, or a portion thereof, of an affordable housing project consisting of approximately 136 units, but in no event fewer than 100 units, along with other amenities outlined in the RFP, subject to modifications resulting from site constraints, and building permit review and design approvals required by the City, as applicable.

b. With the permission of the City Manager of the City (“City Manager”), which shall not be unreasonably withheld, conditioned or delayed, Buyer may change its use of the Property provided that the new use is a commercial enterprise that contributes to the economic development of the City and will create and retain substantially the same opportunities for employment for residents of the City.

c. At Close of Escrow, Buyer shall have demonstrated to the City that a Regulatory Agreement and Declaration of Restrictive Covenants or similarly titled document, recorded in favor of the Nevada Housing Division, that restricts the use of the Property for the activities described in this Section 3.01 for at least a period of fifteen (15) years from the date a certificate of occupancy is issued (the “NHD Covenant”) will be recorded against the Property.

d. At Close of Escrow, Seller shall provide the Deed to Buyer.

e. At least sixty (60) days before Close of Escrow, Buyer shall submit to Seller the proposed site plan and an updated pro forma for the Project.

f. Full Disclosure

Buyer will make full disclosure to the City of its principals, officers, the major partners, joint venturers and managerial employees of Buyer that are directly involved in the Project. Subject to Section 7.03, during the term of this Agreement, no change in control of 50% or more of the equity interests in the Buyer or the voting power in Buyer may be conducted without the reasonable approval of the City Manager, not to be unreasonably withheld, conditioned or delayed; provided that any such change of equity interests or voting power that results in such control or power vesting in an entity or person which is controlled by, controlling or under common control with Buyer will not require approval by the City Manager. Notwithstanding the foregoing, the Buyer reserves the right at its discretion to join and associate with other entities in joint ventures, partnerships or otherwise for the purpose of owning, operating and developing the Property, provided that the Buyer or an affiliate of Buyer retains responsibility for day-to-day management and control of such entities and remains fully responsible to the City hereunder. For the sake of clarity, City will have no control or approval over the daily operations or general business activities of Buyer.

Art. 4 PURCHASE AND SALE OF PROPERTY.

§4.01 General.

a. Seller hereby agrees to sell, and Buyer agrees to purchase the Property according to the terms set forth in this Agreement.

b. Seller agrees not to seek any offers or enter into any negotiations with a third party for the sale of the Property while this Agreement remains in force and effect.

§4.02 Grant of Easement.

a. At Closing, Buyer will execute and record an easement, in a form of an easement agreement reasonably agreed upon by Seller and Buyer, granting Seller non-exclusive easements (a) for the utilities located on the Property at the Closing in their then current locations (collectively, the "Utility Easement"), and (b) for the purpose of preserving the structural integrity of, maintaining, and accessing the railroad trench wall in a location reasonably agreed upon by the Parties. The Utility Easement will be relocatable by Buyer in accordance with the terms of the easement agreement.

§4.03 Opening of Escrow; Earnest Money Deposit.

a. Opening of Escrow. Escrow has been opened with Royal Abstract Title and Buyer has deposited Twenty-Five Thousand and 00/100 Dollars (\$25,000.00) in such escrow (the “First Deposit”). Within five (5) business days after the Effective Date, Buyer shall deposit an additional Seventy-Five Thousand and 00/100 Dollars (\$75,000.00) into escrow (the “Second Deposit” and collectively with the First Deposit, and the Extension Deposits (as defined in Section 4.11(b) below) and any interest earned on the First Deposit, Second Deposit, and the Extension Deposit, shall be referred to as the “Earnest Money Deposit”). The Earnest Money Deposit has been or shall be placed in an interest-bearing account acceptable to Buyer.

b. Earnest Money Deposit. The Earnest Money Deposit shall be treated as follows.

1. As set forth in Section 4.04(a) below, if Buyer elects to terminate this Agreement prior to the end of the Due Diligence Period, or if Buyer fails to provide a Notice to Proceed on or before the end of the Due Diligence Period, the Earnest Money Deposit, less the “Seller Administrative Costs”, as defined in Section 4.05(b) below, shall be returned to Buyer.

2. At Close of Escrow, the Earnest Money Deposit shall be applied to the Purchase Price. If Close of Escrow does not occur for any reason other than the reasons set forth in clause 3 below, the Earnest Money Deposit, shall be paid to Seller in exchange for Seller holding the Property open for sale for the entire period to Close of Escrow.

3. The Earnest Money Deposit, less the Seller Administrative Costs, will be fully refundable to Buyer in the event (1) Buyer terminates this Agreement as the result of (a) an uncured Seller default, (b) the Agreement is terminated due to the failure of any conditions to close which are not waived by the benefitting Party.

4. If, for any reason, the Escrow Officer is given conflicting instructions, is unsure as to whom the Earnest Money Deposit should be paid or does not want to hold the Earnest Money Deposit pending resolution of any disputes, the Escrow Officer may interplead the Earnest Money Deposit and interest into court, less earned but unpaid escrow costs and charges plus the costs of bringing the interpleader.

§4.04 Due Diligence.

a. Due Diligence Period and Document Delivery by Buyer. Buyer shall have ninety (90) days from the later to occur of (1) the date the City submits an application for all permits required for the demolition, as set forth below, or (2) the Effective Date (as applicable, the “Due Diligence Period”) to fully satisfy itself as to all aspects of the purchase of the Property. Subject to the terms set forth herein, from the commencement of the Due Diligence Period until Close of Escrow or

the earlier termination of this Agreement, Buyer shall, during regular business hours and upon not less than forty-eight (48) hours prior written notice, be entitled to enter upon the Property for the purpose of making an inspection of the Property, with its engineers, contractors, inspectors and other consultants (the "Consultants") and conduct such inspections, tests and other review as Buyer shall deem appropriate in order to fully satisfy itself as to all matters relating to the condition of the Property; provided however, neither Buyer nor its Consultants shall conduct any drilling, test borings, or other disturbance of the Property for review of soils, compaction, environmental, structural or other conditions without the Seller's prior written consent, to be given in Seller's sole discretion. Buyer shall promptly repair any damage to the Property arising during Buyer's and its Consultants investigations of the Property to the condition of the Property immediately prior to such damage. Seller shall reasonably cooperate with all requests by Buyer for access to the Property given as set forth above. Should the results of Buyer's investigation of the Property appear satisfactory to Buyer, in its sole and absolute discretion, then prior to the expiration of the Due Diligence Period, Buyer may deliver to Seller and Escrow Agent written notice of its acceptance of the Property and its election to proceed to the Closing ("Notice to Proceed"), at which point Buyer shall have no further legal basis to cancel this Agreement except as set forth in Sections 4.07 (b) and 4.07 (c), as a result of default by Seller, or failure of conditions precedent to Buyer's obligations hereunder. If Buyer fails to give a Notice to Proceed or delivers a termination notice prior to the expiration of the Due Diligence Period, then this Agreement shall be deemed terminated and the Earnest Money Deposit shall be returned to Buyer as set forth in Section 4.03.

b. Document Delivery by Seller. Within ten (10) days after the Effective Date, Seller shall deliver a preliminary title report, the appraisal obtained by Seller, environmental reports and studies pertaining to the Property and other documents related to the Property in Seller's possession.

c. Demolition of Existing Buildings. Within ninety (90) days after the Effective Date, Seller shall apply for a permit to demolish the existing buildings on the Property, the demolition of which shall be completed within six (6) months after receipt of a demolition permit ("Demolition Deadline"), subject to delays caused by force majeure, in which event the Demolition Deadline will be extended on a day for day basis. For the sake of clarity, "demolition" includes without limitation: (a) destruction and removal of the existing buildings on the Property, including, without limitation any concrete footers or foundation, (b) establishing a rough grade, dirt pad where the buildings were previously located, and (c) removal of all debris, trash, rubbish, and other materials generated or resulting from the demolition. Close of Escrow will be conditioned upon completion of the demolition to Buyer's reasonable satisfaction. Seller agrees to provide the cost estimates to Buyer prior to entering into a contract with the demolition contractor. At Close of Escrow, Buyer shall reimburse Seller in an amount equal to the lesser of (x) \$670,000.00 or (y) the actual demolition costs. If the Parties fail to reach Close of Escrow for any reason other than Buyer's default, Buyer need not reimburse any actual costs incurred by Buyer in connection with the demolition. Seller shall be solely responsible for managing the demolition contractor and

demolition process and Buyer shall have no responsibility or liability for the same and Seller will indemnify and hold Buyer harmless from all costs, claims, damages, or liability of any kind in connection with the demolition. At Close of Escrow, Seller shall deliver to Buyer full lien waivers from the demolition contractor and any subcontractors related to the demolition work. Any costs of temporary construction fencing, security costs, or other ongoing expenses resulting from the demolition of the Property shall be the responsibility of the Seller through the Close of Escrow date. Notwithstanding the expiration of the Due Diligence Period, upon completion of the demolition of the Property, Buyer may conduct or cause to be conducted such inspections, tests and other review as Buyer shall deem appropriate to confirm the condition of the Property after such demolition. Buyer may terminate this Agreement upon written notice to Seller, if (a) after completion of the demolition, the condition of the Property is no longer satisfactory to Buyer as a result of the demolition and Seller fails to correct such condition within thirty (30) days after Seller's receipt of written notice of such condition from Buyer, or (b) Seller fails to complete demolition by the Demolition Deadline, subject to extensions for force majeure. If Buyer terminates the Agreement pursuant to the foregoing sentence, the Earnest Money Deposit, less the Seller Administrative Costs, shall be returned to Buyer. This Section shall survive the termination or expiration of this Agreement and the Close of Escrow and will not be deemed to merge with the Deed.

d. Indemnification. Buyer shall indemnify Seller and hold Seller harmless from all costs, claims or liability of any kind resulting from all acts or omissions of Buyer, its contractors, agents and employees during or as a result of inspections on the Property; provided the same shall not extend to (a) acts or omissions of the Seller, affiliates or agents or (b) to the mere discovery of pre-existing conditions. This provision shall survive the termination of this Agreement.

e. Objections to Condition; Extension of Due Diligence Deadline. Seller and Buyer shall meet and confer during the due diligence process and shall, to the extent practical in Buyer's sole discretion, attempt to work out remedies for objections to the condition of the Property, it being understood that reductions or adjustments to the Purchase Price are not contemplated and must be approved by the City Council. If Buyer requests a price adjustment or other remedy which requires approval by the City Council, the "Due Diligence Deadline" shall be extended until ten (10) calendar days after the final decision by the City Council.

f. Separate Parcel and Abandonment of Record Street. Buyer and Seller acknowledge that (1) a portion of Record Street must be abandoned by the City ("Abandonment"), (2) a parcel map or maps, reversion to acreage, or boundary line adjustment (individually or collectively, the "BLA or Parcel Map(s)") must be completed in order for Seller to convey the Property to Buyer at Close of Escrow, and (3) the Abandonment and BLA or Parcel Map(s) must be approved by the appropriate governmental entities prior to and as a condition of the Close of Escrow. To the extent not already delivered, within ten (10) days after the Effective Date, Seller will provide to Buyer

an original copy of one (or multiple, if required) executed and notarized Owner's Affidavit and such other documents that may be reasonably required for Buyer to pursue the Abandonment and BLA or Parcel Map(s) ("Entitlement Materials"). Subject to the Seller's timely delivery of the Entitlement Materials and to the extent not already submitted, Buyer will prepare and submit prior to the expiration of the Due Diligence Period applications for the Abandonment and BLA or Parcel Map(s) in a manner that the resulting property owned by Buyer after Close of Escrow shall be reasonably consistent with Attachment A, whether as a single parcel or multiple parcels, as determined in Buyer's discretion. Buyer will thereafter seek and secure all "Final Governmental Approvals," as defined below, to permit the Abandonment and recordation of the BLA or Parcel Map(s). The Seller will reasonably cooperate in Buyer's efforts to obtain such Final Governmental Approvals. As used in this Agreement, the term "Final Governmental Approvals" shall mean the final act by any governmental agency or entity with jurisdiction over such matters, not subject to appeal, granting approval of the Abandonment and BLA or Parcel Map(s), as applicable. For the sake of clarity, Final Governmental Approvals of the Abandonment and BLA or Parcel Map(s) are a condition precedent for the Close of Escrow and if not obtained, this Agreement shall terminate, and the Earnest Money Deposit shall be returned to the Buyer. Notwithstanding the foregoing, nothing herein shall be construed to affect or prejudice the exercise of the City's discretion concerning any Abandonment, BLA and/or Parcel Map application.

g. Buyer's Findings, Determinations, Studies and Reports. Upon reasonable notice, as from time-to-time requested by the Seller, but in no event to exceed three (3) times in any calendar year, the Buyer agrees to make oral and written progress reports advising the Seller on all non-confidential or non-proprietary matters and all studies being made by the Buyer related to the development of the Property.

§4.05 Price and costs of closing

a. Purchase Price. The Purchase Price of the Property shall be as set forth in Section 1.01.

b. Credits, Holdbacks and Adjustments. Any reasonable costs, fees and charges associated with the appraisals for the value of the Property and/or actual costs associated with retaining and utilizing consultants necessary to reasonably evaluate the feasibility of the Project or work related thereto incurred by the Seller ("Seller Administrative Costs") shall be paid solely by the Buyer. Seller Administrative Costs shall be reimbursed through the Earnest Money Deposit and shall not exceed \$25,000 without the express written approval of Buyer.

c. Payment of Purchase Price; Promissory Note. The Purchase Price shall be payable as follows:

1. At Close of Escrow, Buyer will make a payment of Six Hundred Thousand and no/100 Dollars (\$600,000.00) towards the Purchase Price (the "Closing Payment") by wire transfer

into escrow. The Earnest Money Deposit less any Seller Administrative Costs, shall be applied towards the Closing Payment.

2. The remainder of the Purchase Price due at Close of Escrow (the “Loan Amount”) shall be evidenced by a promissory note from Buyer to Seller (the “Note”) in substantially the form attached hereto as Exhibit F, which Note shall be secured by a Deed of Trust with Security Agreement, Assignment of Leases and Rents and Financing Statement Filed as a Fixture Filing Pursuant to NRS § 104.9502(3) (“Deed of Trust”) in substantially the form attached hereto as Exhibit G. The Deed of Trust will be subordinate to the security interests of the following (collectively, the “Senior Lenders”): (i) Buyer’s senior lender, (ii) the Nevada Housing Division (pursuant to the terms of the Growing Affordable Housing Program loan, Buyer may require to finance all or a portion of the Proposed Development) and (iii) the lender(s) to any other loan obtained by Buyer that may be required to balance the sources and uses of the Project, to the extent required by the lender(s) of such loan. Notwithstanding the foregoing, the terms of the Note and Deed of Trust will be subject to approval by the Senior Lenders and Buyer’s project tax equity investor, to be obtained by Buyer prior to Closing.

d. Allocation of Closing Costs; Apportionment of Certain Payments. Buyer and Seller agree to the following allocation of closing costs:

Title Report	Seller pays 100%.
Title Insurance	Seller pays 100% for an ALTA Standard Owners Policy, Buyer pays for extended coverage or endorsements.
Survey (if needed)	Paid 100% by party who requests it.
Building Inspection	Paid 100% by party who requests it.
Appraisals and reviews	Buyer pays 100%.
Pest Inspection	Paid 100% by party who requests it.
Soils Analysis	Paid 100% by party who requests it.
Environmental Assessments	Paid 100% by party who requests it.
Transfer Tax	Buyer pays 100%.
Property Taxes	Property is currently exempt from property taxes; Buyer pays 100% of any prorated installments needed to be paid to close.
Special Assessments (if any)	Prorated at Close of Escrow.

Sewer	Buyer pays 100% of prorated sewer costs.
Escrow Agent Fees	Buyer pays 50%; Seller pays 50%.
Recording Fees	Buyer pays 100%.

e. Sewer Connection Credits; Development Rights. Seller agrees to assign any sewer connection credits that it may acquire as a result of the demolition to Buyer upon Close of Escrow and Buyer shall have the right to apply any such credits to offset Buyer’s costs for new sewer connection fees for the Project. In addition to the sewer connection credits, at Close of Escrow, Seller will assign and transfer any and all development rights, credits, and entitlements in and to the Property, including, without limitation, any regional road impact fee credits.

f. Payment of Real Estate Commissions. Except as disclosed in Section 1.01 above, Seller represents to Buyer that there are no real estate or brokerage commissions payable in connection with this sale to any party claiming through Seller or arising out of the actions of Seller. Except as disclosed in Section 1.01 above, Buyer represents to Seller that there are no real estate or brokerage commissions payable in connection with this sale to any party claiming through Buyer or arising out of actions of Buyer. Each party shall indemnify and hold the other harmless from all costs, claims, damages, or liability of any kind in connection with the breach of this representation. The representations and indemnities in this paragraph shall survive the closing or earlier termination of this Agreement.

§4.06 Title Warranties and Insurance.

a. Title Review. Within three (3) Business Days after the Effective Date, Buyer shall request from the Title Company a preliminary title report issued by Title Company describing the state of title of the Property, together with copies of all exceptions specified therein (the “Preliminary Title Report”). Buyer shall notify Seller in writing (“Buyer’s Title Objection Notice”) of any objections Buyer may have to title exceptions contained in the Preliminary Title Report within twenty (20) Business Days following receipt of the Preliminary Title Report. Any and all exceptions to title that are capable of being removed as exceptions by payment of a fixed and liquidated sum of money shall be automatically deemed objected to by Buyer. Seller shall have a period of five (5) Business Days after receipt of Buyer’s Title Objection Notice in which to deliver written notice to Buyer (“Seller’s Title Notice”) of Seller’s election to either (i) agree to remove the objectionable items prior to the Close of Escrow, or (ii) decline to remove any such title exceptions. Failure to deliver Seller’s Title Notice shall be deemed a refusal to cure title exceptions included or deemed to be included in Buyer’s Title Objection Notice. If Seller declines to cure or remove the objectionable items, Buyer shall have the right, by written notice delivered to Seller on or before the end of the Due Diligence Period, to elect to either (i) terminate this Agreement, in which event

the entire Earnest Money Deposit, less Seller Administrative Costs, shall be immediately released to Buyer and the Parties shall have no further rights or liability hereunder except with respect to those obligations that survive termination of this Agreement; or (ii) accept the Property subject to the objectionable items and proceed to Close of Escrow (provided that Buyer has provided a Notice to Proceed) with no modification of this Agreement or reduction of the Purchase Price. Upon the issuance of any amendment or supplement to the Preliminary Title Report which adds additional exceptions, the foregoing right of review and approval shall also apply to said amendment or supplement (provided that the period for Buyer to review such amendment or supplement shall be the later of the expiration of the Due Diligence Period or five (5) Business Days from receipt of the amendment or supplement) and Close of Escrow shall be deemed extended by the amount of time necessary to allow such review and approval in the time and manner set forth above; provided, however, that in no event shall the Close of Escrow be extended as a result of such delay for more than thirty (30) days.

b. Permitted Exceptions. Buyer agrees to accept title to the Property and agrees that conveyance by the Deed shall be subject to the following, all of which shall be deemed “Permitted Exceptions,” and Buyer agrees to accept the Deed and title to the Property subject thereto:

1. All exceptions shown in the Preliminary Report other than items to which Buyer made timely objection and Seller agreed to cure in Seller’s Title Notice; provided, however, that notwithstanding the foregoing, Seller shall remove, cure or obtain affirmative coverage over any voluntary or involuntary monetary liens (such as mechanic's or materialmen's liens, judgment liens, mortgages and financing statements) created by Seller and recorded against the Property prior to Close of Escrow that are reasonably susceptible of such removal, cure or affirmative coverage by the payment of money alone;

2. Real estate and property taxes to the extent not due and payable.

c. Property Taxes to be Paid at Closing. Unpaid liens for any and all taxes, charges and regular and special assessments shall not be objections to title, but shall be prorated between Seller and Buyer as of the Closing Date, subject to the provisions for apportionment of taxes contained herein.

d. Title at Closing. If on the Close of Escrow, the state of title is other than in accordance with the requirements set forth in this Agreement or if any condition to be fulfilled by Seller shall not be satisfied, Buyer shall provide Seller with notice thereof at such time and Seller shall have ten (10) days to cure such objection or unfulfilled condition and the Parties shall proceed to Close of Escrow, or such title objection or unfulfilled condition shall be deemed waived by Buyer in which case Buyer and Seller shall proceed to consummate the Close of Escrow on the Closing Date.

e. No Additional Liens. Seller covenants that it will not voluntarily create or cause any lien or encumbrance (including leases and/or property contracts with a term greater than thirty (30) days) to attach to the Property between the date of this Agreement and the Closing Date without Buyer’s prior written approval, not to be unreasonably withheld, conditioned or delayed; any such

monetary lien or encumbrance so attaching by voluntary act of Seller shall be discharged by the Seller at or prior to Close of Escrow or any postponed Closing Date. Notwithstanding the foregoing, Seller may enter into an agreement for the purpose of providing parking on the Property, provided that such agreement is terminated on or before the Closing Date and Seller provides a copy of the executed agreement to Buyer within ten (10) days after execution thereof.

f. Title Warranties and Representations. Seller represents and warrants to Buyer as of the Closing, that:

1. Except (i) as disclosed on the Preliminary Title Report (to the extent dated prior to end of the Due Diligence Period) provided to Buyer, or (ii) otherwise disclosed in writing to and approved by Buyer, or (iii) as is actually known to Buyer, Seller holds and will convey good and marketable title to Buyer without encumbrances, liens, restrictions, covenants, conditions, rights of redemption, or other title exceptions.

2. There are no contracts of sale, installment sale contracts, or options for the sale of all or any part of the Property to which Seller is a party and which remain in effect, except to Buyer.

3. There are no leases, rental contracts, billboard contracts, contracts of employment, management contracts, maintenance contracts, service contracts, or supply contracts to which Seller is a party which affect any portion of the Property that will survive the closing.

4. All improvements and materials supplied to the Property by Seller have been paid for in full.

5. Seller is not aware of and does not know of any threatened or pending litigation naming Seller as a party or otherwise materially affecting the Property.

6. Seller has no actual knowledge of any significant adverse fact or condition that is materially inconsistent with any information contained in any documents delivered to Buyer by Seller or prepared by Seller in connection with this Agreement.

7. Seller represents that the Property is vacant, and covenants and agrees that it shall be delivered vacant at Closing.

g. Title Insurance. At Close of Escrow, Seller shall at its expense deliver a 2021 Standard Form of ALTA Owners insurance without any endorsements, subject to permitted exceptions agreed upon under paragraph a above. If Buyer wishes extended coverage or endorsements, Buyer shall pay the additional cost for such extended coverage or endorsements.

§4.07 ***Property Warranties; Condition and Risk of Loss.***

a. Warranties and Representations. Seller has not discharged, transported or stored any Hazardous Materials, defined below, on the Property and, to Seller's knowledge, no such Hazardous Materials have been discharged, transported or stored on the Property. Seller has not received written notice of any violation, administrative complaint, judicial complaint, or other notice: (i) alleging that conditions on the Property are or have been in violation of any Environmental Law; (ii) informing Seller that the Property is subject to investigation or inquiry regarding the presence of Hazardous Materials on or about the Property; or (iii) alleging the potential violation of any Environmental Law. Seller has not received any written information from nearby property owners or occupants indicating they have concerns about existing environmental conditions that could affect the Property or suggesting that they might look to Seller or the owner of the Property for contribution to remediate any such condition. For purposes of this paragraph, "Hazardous Materials" means any substance, condition, object, living organism or any combination thereof which because it may or could pose a risk of injury or threat to health or the environment render it subject to Environmental Laws, including, without limitation: (a) those substances included within the definitions of "hazardous substance", "hazardous waste", "hazardous material", "toxic substance", "solid waste", or "pollutant or contaminant" in or otherwise regulated by, any Environmental Law; and (b) any material, waste, or substance which is: (A) petroleum or refined petroleum products; (B) asbestos in any form; (C) polychlorinated biphenyls; (D) flammable explosives; (E) radioactive materials; (F) radon; or (G) lead. For purposes of this paragraph, "Environmental Laws" means any applicable federal, state or local laws, rules or regulations pertaining to health, industrial hygiene, environmental conditions or the environment, including air, soil, groundwater and surface water. Except as provided above, Seller makes no other representations or warranties as to the condition of the Property, and Buyer shall accept the Property AS IS WITH ALL ITS FAULTS.

b. Property Damage or Destruction. Seller does not insure the Property with outside carriers. If the Property is damaged or destroyed before Close of Escrow, and the Parties cannot agree on an adjustment to the Purchase Price, Buyer shall have the right to terminate this Agreement by written notice to Seller, in which event, the Earnest Money Deposit minus Seller Administrative Costs shall be returned to Buyer, this Agreement shall terminate, and the Parties shall be relieved of any further liability hereunder except for those items that survive termination of this Agreement.

c. Risk of Loss Due to Eminent Domain. If proceedings under power of eminent domain are commenced before Close of Escrow to take any portion of the Property, Seller shall promptly inform Buyer and Buyer may terminate this Agreement by notice to Seller at any time before Close of Escrow. If Buyer chooses to go forward with the acquisition, unless otherwise agreed, Buyer may appear in any eminent domain proceedings and the Parties shall proceed to Close of Escrow upon the original terms stated herein and Buyer shall be paid all eminent domain proceeds, except

relocation benefits. If Buyer elects to terminate this Agreement, this Agreement shall terminate as of the date of Buyer's notice, and the Earnest Money Deposit (minus Seller Administrative Costs) shall be returned to Buyer.

d. Uniform Vendor and Purchaser Act. To the extent that the above provisions are inconsistent with the Uniform Vendor and Purchaser Act (NRS 113.030 – 113.050), they are intended to replace the provisions of the Act.

§4.08 *Seller's Conditions Precedent.*

a. In addition to any other conditions stated herein, Seller's obligation to sell the Property is conditioned on the accomplishment of the following requirements to the satisfaction of Seller:

1. The sale must be authorized by the City Council's approval of this Agreement, meet all the conditions of Nevada law, and be further authorized by the City Manager or her designee's execution of all other documents needed to close escrow, as specified in Section 7.09(b).
2. Reserved;
3. All of the documents and other items required to be delivered by Buyer to Seller under this Agreement must have been delivered in form and substance reasonably satisfactory to Seller;
4. Buyer must have given a Notice to Proceed in accordance with Section 4.04;
5. Escrow Agent shall be irrevocably committed to issue the title insurance required by the joint escrow instructions;
6. Buyer must have deposited the Closing Payment and its share of expenses as provided herein in escrow;
7. All of the representations and warranties made by Buyer in this Agreement and in any closing certificate must be true in all material respects as of Closing Date; and
8. The legality of sale must not have been successfully challenged by a third party.

b. Seller may waive any of the foregoing conditions or may close the sale without waiving a condition and seek remedies for breach as provided in Section 5.04.

§4.09 *Buyer's Conditions Precedent.*

a. Buyer's obligation to purchase the Property is conditioned on the accomplishment of the following requirements to Buyer's satisfaction:

1. Buyer, in its sole discretion, must be satisfied as to the legal description, the status of title to and the condition of and the suitability of the Property for its intended use, and has issued to Seller a Notice to Proceed as provided in Section 4.04;
2. Reserved;
3. Seller must have performed all of its requirements under this Agreement;
4. All of Seller's representations and warranties must remain true and complete in all material respects as of Closing;
5. Seller must have delivered into escrow all deeds and supporting documentation necessary to convey title as required by this agreement to all real and personal property being purchased hereunder;
6. All of Seller's conditions of closing have been satisfied; and
7. Buyer funding must be available, including, without limitation, the Volume Cap described in Section 4.11(b) below.

b. Buyer may waive any of the foregoing conditions or may close the sale without waiving a condition and seek remedies for breach as provided in Section 5.04.

§4.10 [intentionally omitted]

§4.11 Closing; Delays in Closing

a. Closing Conditions. Escrow shall not close until all conditions and provisions stated in Sections 4.08 and 4.09 shall have been met or waived by the Party benefitted by the condition or provision.

b. Close of Escrow. If the conditions set forth in Sections 4.08 and 4.09 have been met, Close of Escrow shall occur on or before December 31, 2025 ("Closing Date"), provided that Buyer may extend the Closing Date to December 31, 2026, upon delivery of written notice to Seller and deposit of an additional \$50,000 into escrow ("Extension Deposit") on or before December 1, 2025. As part of its financing, Buyer intends to request that the City allocate its 2025 (or if the Closing Date is extended, 2026) Volume Cap (as applicable, the "Volume Cap"), to the Project. Unless otherwise agreed in writing by the Parties, this Agreement shall expire if escrow fails to close by 11:59:59 pm, Nevada Time on the Closing Date, as may be extended, or earlier if the request for Volume Cap, as applicable, is denied before December 31, 2025, or if the Closing Date is extended, December 31, 2026. Buyer acknowledges that any approval or denial of a request for volume cap is at the sole and absolute discretion of the Reno City Council. Seller acknowledges that Buyer intends to apply for an allocation of the 2025 or 2026 Volume Cap, as applicable, in

connection with the Project. Seller understands that Buyer's ability to proceed with the Project depends on the City's ability to award the Volume Cap to the Project.

c. Closing through Escrow Agent. When all conditions of closing have been met: (i) Buyer and Seller shall execute and deliver to Escrow Agent a grant, bargain, and sale deed (the "Deed"), in the form attached as Exhibit D, all documents listed in closing instructions provided to Escrow Agent or otherwise required to complete the intents and purposes of this Agreement, (ii) Buyer and Seller shall deliver into escrow in collected funds the portion of the Purchase Price and all funds necessary to close the sale, and Buyer shall deliver an executed Note and Deed of Trust; (iii) the Escrow Agent shall record and distribute all documents as provided in the escrow instructions; and (iv) Escrow Agent shall disburse all funds as provided in the escrow instructions and settlement statements approved by the Parties. When all the foregoing events have been completed, "Close of Escrow" or "Closing" shall have occurred.

d. Escrow Agent Delays. Provided that Buyer and Seller shall have accomplished all that has been required of them as indicated in this Agreement, a delay in the settlement or closing caused by Escrow Agent or factors beyond the control of Escrow Agent shall not be considered as a default by Buyer or Seller, and the Closing Date shall automatically be extended for a reasonable period of time not to exceed thirty (30) days to close. If Close of Escrow does not occur within thirty (30) days from Closing Date, as it may be extended, through no fault of either Seller or Buyer, the Parties shall appoint a substitute who shall serve as the Escrow Agent for all purposes under this Agreement and the closing instructions.

e. Failure to Close. Except as expressly provided in this Agreement, if Close of Escrow does not occur by the Closing Date, as it may be extended, due to the default, actions or inactions of a Party, the provisions of Section 5.02 shall apply as applicable. If, despite the good faith efforts of the Parties, any condition to close is not met on or prior to the Closing Date and is not otherwise waived, the Party benefitting from such condition may terminate this Agreement upon written notice to the other, in which event the Earnest Money Deposit will be refunded in accordance with Section 4.03(b)(3).

§4.12 Delivery of Possession of Property.

Upon Close of Escrow, Seller shall deliver possession of the Property together all documents necessary for Buyer to obtain and permanently enjoy full exclusive possession and title to the Property.

Art. 5 DEFAULT AND REMEDIES

§5.01 Excuse due to Force Majeure.

a. Except as provided elsewhere herein, if an event of force majeure makes performance of an obligation or cure of a breach or default impossible, such performance or cure is excused for the duration of the event of force majeure provided that the obligated Party (i) within a reasonable time after the commencement of the force majeure notifies the other Party of the nature of the event of force majeure, when it commenced, why it makes performance or cure impossible, and the expected duration (if known), and (ii) agrees to and does in fact diligently pursue remediation of the effects of the force majeure, and (iii) agrees to notify the other Party immediately when it becomes possible to commence efforts to cure the default.

b. An event of force majeure is defined as (i) without the fault of and beyond the reasonable control of the obligated Party, a war; insurrection; riot; flood; earthquake; fire; casualty; act of God; act of a public enemy; quarantine restriction or other effect of epidemic or disease; freight embargo; delay caused by unusually severe or extreme weather; lack of transportation attributable to any of these; or (ii) labor strikes, boycotts or picketing (unless the labor action is taken because of an alleged violation of the prevailing wage provisions in this Agreement, if any); (iii) provided, however, that if the breach or default is the failure to pay money, the force majeure must actually prevent access to or payment from a bank account or payment mechanism, such as during a banking holiday, moratorium, or sabotage of wire or automated transfer systems. A force majeure does not include general economic or market conditions, or the financial condition of a party even if they are influenced by any of the foregoing.

c. A force majeure is deemed to cease for purposes of this Agreement and a Party is deemed to be in breach of an obligation or cure on the earlier of (i) five (5) business days after it becomes possible for the obligated Party to commence to perform the obligation or cure and the obligated party fails to so commence the obligation to perform or cure, or (ii) one year from the commencement of the event of force majeure.

§5.02 *Default.*

a. Buyer Default. Provided that Seller is not then in breach of any of its obligations under this Agreement and is ready, willing, and able to consummate the sale of the Property to Buyer in accordance with this Agreement, Buyer shall be in default under this Agreement, if Buyer (a) breaches any of its obligations under this Agreement and does not cure the same within thirty (30) days following written notice from Seller, as provided in Section 5.03 below, or (b) fails to deliver the documents required to be delivered by Buyer at Close of Escrow or to otherwise proceed with the Closing after the satisfaction or waiver of all conditions to Closing for Buyer's benefit. In such case, Seller shall be entitled to terminate this Agreement and to receive and retain the Earnest Money Deposit as liquidated damages. The Parties agree that said sum is fair and reasonable in light of all of the circumstances existing on the date of this Agreement, including the Parties' estimate of the possible range of damages to Seller in the event of a Buyer default under this

Agreement. The Parties further agree that the damages to Seller in such case would be impossible to accurately determine and that proof of the amount of such damages would be costly and inconvenient. Provided that Buyer does not dispute or give contrary instructions to the Escrow Holder following any instructions by Seller directing the Escrow Holder to release the Earnest Money Deposit to Seller following any such termination of this Agreement as a result of Buyer's default hereunder, such liquidated damages shall be Seller's sole and exclusive remedy in the case of any breach or default by Buyer under this Agreement, and Seller hereby waives, releases and relinquishes any and all other rights and remedies arising out of or on account thereof, whether at law, in equity, or otherwise.

b. Seller Default. Provided that Buyer is ready, willing and able to consummate the purchase of the Property from Seller and Buyer is not then in breach of any of its obligations under this Agreement, Seller shall be in default under this Agreement, if at any time Seller breaches any of its obligations under this Agreement and does not cure the same within thirty (30) days following written notice from Buyer, as provided in Section 5.03 below. In such case, Buyer's sole remedies are, either to (i) terminate this Agreement by giving written notice to Seller, whereupon Escrow Holder shall return the Earnest Money Deposit to Buyer which return shall operate to release Seller from any and all liability hereunder, or (ii) to enforce specific performance of Seller's obligation to sell the Property to Buyer in accordance with this Agreement. Buyer expressly waives all other rights and remedies, including, without limitation, the right to bring an action for damages in the event of Seller's failure to close the sale of the Property hereunder. Buyer shall be deemed to have elected to terminate this Agreement and receive the return of the Earnest Money Deposit if Buyer fails to file suit for specific performance against Seller, in a court having jurisdiction in Washoe County within ninety (90) days following the date upon which Closing was to have occurred.

§5.03 *Notice and Opportunity to cure.*

For those events or circumstances of default listed above which are expressly subject to the notice and cure, and unless otherwise specified in this Agreement, the Party intending to declare a default shall first provide written notice to the defaulting Party as set forth in Section 5.02 above of such event or circumstance and the specific action required to cure it and the defaulting Party shall have thirty (30) days from the date that the notice is deemed given to cure the default. If a Party has commenced to and diligently pursues to cure the default, one or more extensions in time may be granted by the non-defaulting Party which may be revoked without advance notice if the defaulting Party abandons the attempt to cure or if cure becomes impossible.

§5.04 *Waivers.*

Any forbearance, inaction, or failure to promptly pursue any remedy (whether intentional or negligent) shall not be deemed a waiver of any default or remedy and shall not be construed as

in any manner estopping any party from enforcing in full the provisions hereof. Waivers must be expressed in writing signed by the waiving party, and a waiver of a default is limited to the specific default identified in the written waiver and does not constitute a course of dealing or implication that similar defaults will be waived in the future. A Party's acceptance of partial performance shall not be deemed to be an accord and satisfaction or a waiver of or change to any term, covenant or condition of this Agreement.

§5.05 *Attorney's fees and costs.*

If an action is brought to interpret or enforce this Agreement, each Party shall bear its own fees and costs, including attorney's fees, regardless of the outcome of the litigation.

Art. 6 **[INTENTIONALLY DELETED]**

Art. 7 **GENERAL TERMS**

§7.01 *Warranties of Authority and Valid Obligation.*

a. Each person who signs this Agreement represents and warrants that he/she has obtained all necessary approvals and has actual authority to execute this Agreement with the effect of binding his/her principal.

b. Each Party represents and warrants to the other that it is duly organized and in good standing and authorized to do business in Nevada with full power and authority to enter into, deliver and perform this Agreement and that this Agreement, together with closing documents placed into escrow, constitutes the legal, valid and binding obligation of the Party, enforceable against it in accordance with its terms.

§7.02 *Time Frames and Deadlines*

The Parties agree to accomplish the actions within the time frames or deadlines stated above. Time is of the essence in the performance of the obligations in this Agreement. Unless otherwise specified: (i) the term "days" means calendar days; (ii) the term "business days" means days that both Parties are open for business, generally excluding weekends and holidays recognized by the State of Nevada; (iii) if a deadline falls on a weekend or holiday, then performance is due on the next following business day of the recipient of the performance; and (iv) performance is due by 5 p.m. on the day of deadline.

§7.03 *Assignment, Binding Effect*

a. Except as provided below, neither Party may delegate any duties or assign any rights under this Agreement without the approval of the other Party.

b. Notwithstanding Section 7.03(a) above, Seller agrees that Buyer, without Seller's consent, may assign this Agreement to an affiliate of Buyer or to another person or entity, provided Buyer or an affiliate of Buyer is a general partner, managing member or Class B member/partner therein or otherwise controls said entity, by written notice to Seller delivered prior to Close of Escrow, and provided that (i) Buyer is not in default under this Agreement; and (ii) the proposed assignee agrees to perform all obligations and duties of Buyer under this Agreement without change unless otherwise agreed by City. Buyer and Seller anticipate that Buyer will form an affiliate special purpose entity for the purpose of acquiring, developing and operating the Property and Project.

§7.04 *Standards for Approvals; Further acts and assurances.*

a. Unless otherwise specified (such as with the words "sole discretion") wherever this Agreement requires the approval of a party, or any of a party's officers, agents or employees, such approval shall not be unreasonably withheld delayed or conditioned.

b. The City Council of the City of Reno is a governmental body whose decisions are legislative functions that may be subject to public hearings and input, and, except as otherwise provided herein, shall have sole and absolute discretion to approve or disapprove any matter submitted to it provided, however, that decisions are not procured by fraud or bribery, or are arbitrary, capricious or an abuse of discretion.

c. Each Party agrees to take all reasonable actions and enter into, execute and deliver all documents reasonably required by the other Party to document and accomplish the sale as contemplated herein and carry out the terms of this Agreement. This provision survives the termination of this Agreement.

§7.05 *Notices.*

Notices hereunder must be in writing which shall be mailed, personally delivered or sent by telecopy or electronic mail to each Party at the address specified above. Notice is deemed received by the other Party when (i) actually received if sent by first class mail, overnight delivery via nationally recognized courier, or personally delivered, (ii) three business days after delivered to and accepted by the U.S. Postal Service if sent by certified or registered mail; or (iii) if given by telecopy or electronic mail, when the sender receives a confirmation of receipt generated by the sending machine or confirmation email, if sent during ordinary business hours.

§7.06 *Severability*

In the event that any word, clause, or provision herein is declared by a court of competent jurisdiction to be invalid, unenforceable, or contrary to public policy, then such offending

provision shall be deemed, from the very beginning, to have been modified to the extent to bring it within the limits of validity or enforceability, so long as it is reasonably consistent with the Parties' intent. If, however, such offending provision cannot be so modified, then it shall be severed from this Agreement. In either event (modification or severance), all remaining words, phrases, clauses and provisions herein remain fully enforceable.

§7.07 *Applicable law; Jurisdiction.*

The interpretation and enforcement of this agreement shall be governed by the laws of Nevada. Actions to enforce this Agreement shall be brought in the Second Judicial District Court in and for Washoe County, Nevada.

§7.08 *Interpretation of this Agreement.*

Titles and headlines of this Agreement are intended for editorial convenience and are not to be construed as a part of this Agreement. The word "include" or "including" is not intended as a limitation and shall be construed to include the words "but not limited to." Unless otherwise specified, the word "herein" means anywhere in this Agreement or the attachments. Any reference to the masculine genders includes, where appropriate in the context, the feminine gender. Any term in the singular includes, where appropriate in the context, the plural. The Parties were each advised by counsel in drafting and negotiating this agreement, and each Party contributed to its contents. No presumptions against or in favor of any Party are appropriate based on who drafted this Agreement or any provision herein.

§7.09 *Modifications; Authority to administer and approve changes.*

a. This Agreement may not be modified or amended unless expressed in writing and duly signed by the Parties. No waiver is effective unless expressed in writing and duly signed by the Party to be bound by the waiver.

b. In addition to the Authorized Representative specified in Section 1.01 above, the City Manager of the City of Reno shall have the authority to act as an Authorized Representative. Each Authorized Representative, acting alone, shall have the authority to (i) execute all deeds (except all deeds of Seller must be signed by the Mayor), escrow instructions, settlement statements, title insurance instructions, agreements, notices and other instruments necessary to accomplish closing and to effectuate the purposes of this Agreement; (ii) accept all performances, (iii) waive or negotiate remedies for defaults (iv) extend time for performance; (v) approve contract assignments; and (vi) negotiate and execute all amendments or modifications to this Agreement *EXCEPT* (a) as otherwise provided in this Agreement; and (b) except that any action that (w) materially or substantially changes the terms of this Agreement; (x) reduces the amount owed to or adds to the cost incurred by a party in an amount that exceeds \$25,000; (y) agrees to the payment of money that has not been appropriated by the City Council; or (z) waives or relinquishes any real

property interest or right shall require the consideration of and written consent of the governing body of the Party.

§7.10 *Entire Agreement; Signature in counterparts; Effective Date; Recording.*

a. This Agreement may be executed in counterparts and shall be effective on the last date it is duly executed by each of the Parties.

b. The Parties agree that this Agreement, together with its attachments, contains the entire agreement of the parties and supersedes any written or oral representations, promises, warranties, or other undertakings made during the negotiation of this Agreement.

§7.11 *No Predetermination of City Discretion*

The Parties agree and acknowledge that nothing in this Agreement in any respect does or shall be construed to affect or prejudice the exercise of the City's discretion concerning consideration of any submittal by the Buyer. Further, nothing in this Agreement in any respect does or shall be construed to affect or prejudice the City's discretion to consider, negotiate, or undertake the Project by Buyer or any required approvals necessary by the laws, rules, and regulations governing the development of the Property.

Exhibits

- A. Property Description
- B. RFP
- C. Reserved
- D. Form of Deed
- F. Form of Note
- G. Form of Deed of Trust

Attachments

- A. Site Configuration

EXECUTED on the dates indicated below:

[SIGNATURE PAGES FOLLOW]

Agreement for Economic Development and Purchase/ Sale of Real Property
(315-335 Record Street)

Counterpart Signature Page

Buyer

Ulysses Acquisition LLC, a Delaware limited liability company

By _____ Date _____
Connor Larr
Its: Vice President

Agreement for Economic Development and Purchase/ Sale of Real Property
(1610 and 1790 West Fourth Street)

Counterpart Signature Page

City/ Seller

City of Reno, a municipal corporation

By _____
Hillary Schieve, Mayor

Date _____

Attest:

By: _____
Mikki Huntsman, City Clerk

Date _____

Approved as to Legal Form
KARL HALL, City Attorney

By _____
Jasmine Mehta, Deputy Attorney

Exhibit A

Property Description

All that certain real property situate in the County of Washoe, State of Nevada, described as follows:

[To be attached]

Exhibit B

RFP
[Attached]

Exhibit C

Reserved

Exhibit D

Form of Deed

APNs:

**RECORDING REQUESTED BY AND
WHEN RECORDED, MAIL TO:**

Ulysses Acquisition LLC
Attn: Legal Department
210 University Boulevard, Suite 460
Denver, CO 80206

MAIL TAX STATEMENT TO:

Ulysses Acquisition LLC
Attn: Legal Department
210 University Boulevard, Suite 460
Denver, CO 80206

The undersigned hereby affirm(s) that this document, including any exhibits, submitted for recording does not contain the social security number of any person or persons. (Per NRS 239B.030)

GRANT, BARGAIN AND SALE DEED AND RESTRICTIVE COVENANT

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, the City of Reno, Nevada, a political subdivision of the State of Nevada, as grantor (“Grantor”) does hereby GRANT, BARGAIN and SELL to _____, a _____, as grantee (“Grantee”) the real property situate in the County of Washoe, State of Nevada, described in **Exhibit “A”** attached hereto and incorporated herein by this reference (the “Property”);

TOGETHER WITH all rights, entitlements, privileges, easements, tenements, hereditaments and appurtenances to the Property, and any reversions, remainders, rents, issues or profits thereof.

SUBJECT TO (i) general and special taxes for the current fiscal tax year not yet due and payable, and (ii) all matters of record.

[Signature appears on following page]

EXHIBIT A

Legal Description of Property

All that certain real property situate in the County of Washoe, State of Nevada, described as follows:

Exhibit F

Form of Note

[attached]

Exhibit G

Form of Deed of Trust

[attached]

Attachment A
Site Configuration