AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: Second Modification to Real Estate Mortgage; Verzu

Action Requested: Board of County Commissioners' Signature

Parties to the Agreement: BOCC and Verzuh Ranch, Inc.

Term Begins: **Term Ends:** **Grant Contract #:**

Summary:

Gunnison County is currently holding two lots in the Verzuh Ranch Annexation as means of security for the Development Improvements Agreement for Shady Island Subdivision. The developer, Verzuh Ranch, would like to exchange those lots so that the other lots may be sold. The lots proposed

Fiscal Impact: 0

Submitted by: Office of the County Attorney **Submitter's Email Address:** rmagruder@gunninsoncounty.org

Finance Review: ○ Required ◉ Not Required

Comments:

Reviewed by: Discharge Date:

County Attorney Review: ◉ Required ○ Not Required

Comments:
ok - gs but contingent on review of the title commitment.

Reveiwed by: GUNCOUNTY1\gstuhr Discharge Date: 6/17/2016 Certificate of Insurance Required

Yes ○ No ◉

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\khaase Discharge Date: 6/17/2016

○ Consent Agenda ◉ Regular Agenda ○ Worksession Time Allotted: 5

Agenda Date: 6/21/2016

Revised April 2015

SECOND MODIFICATION TO REAL ESTATE MORTGAGE

This Second Modification to Real Estate Mortgage is made and entered this _____ day of June, 2016, between Verzuh Ranch, Inc., a Colorado corporation ("Mortgagor"), P.O. Box 836, Crested Butte, CO 81224, and the Board of County Commissioners of the County of Gunnison, Colorado ("Mortgagee"), 200 E. Virginia Avenue, Gunnison, CO 81230.

To secure Mortgagor's performance under that certain Development Improvements Agreement dated May 3, 2011, by and between Mortgagor and Mortgagee, Mortgagor executed that certain Real Estate Mortgage as recorded in the real property records of Gunnison County, Colorado at Reception No. 605474 (the "Real Estate Mortgage").

Paragraph 2. a. ii of that Settlement Agreement between Mortgagor and Mortgagee dated May 3, 2011 (the "Settlement Agreement"), provides in pertinent part that, "Verzuh shall have the right to substitute any other lot Verzuh owns within the Verzuh Ranch Annexation within the Town of Crested Butte, Colorado in place of Lot 3 and/or Lot 2, should the prospective purchaser contract for the purchase of either or both of those two lots specifically. The substituted lot or lots shall either (a) be of equal or greater value to the collateral being replaced and said replacement lots shall be held as collateral by a first priority real estate mortgage…."

Mortgagor and Mortgagee subsequently agreed to substitute certain lots for those set forth in the Settlement Agreement and Real Estate Mortgage pursuant to that certain Modification to Real Estate Mortgage dated February 26th, 2015 and recorded in the Office of the Gunnison County Clerk and Recorder at reception number 631615 (the "First Modification").

The two tracts currently used as collateral under the Real Estate Mortgage, as modified by the First Modification, are under contract for sale.

Accordingly, Mortgagor and Mortgagee agree to modify the Real Estate Mortgage as follows:

1. Tract 1, Block 70, VERZUH RANCH ANNEXATION, according to the Final Plat recorded August 18, 2000 bearing Reception No. 504288 and in Affidavit of Correction to the Plat of The Verzuh Ranch Annexation recorded September 3, 2002 bearing Reception No. 523391, Town of Crested Butte, County of Gunnison, State of Colorado ("Tract 1, Bock 70") is hereby substituted and replaces Tract 3, Block 74, VERZUH

RANCH ANNEXATION, according to the Final Plat recorded August 18, 2000 bearing Reception No. 504288 and in Affidavit of Correction to the Plat of The Verzuh Ranch Annexation recorded September 3, 2002 bearing Reception No. 523391, Town of Crested Butte, County of Gunnison, State of Colorado ("Tract 3, Block 74") under the Real Estate Mortgage.

2. Tract 2, Block 70, VERZUH RANCH ANNEXATION, according to the Final Plat recorded August 18, 2000 bearing Reception No. 504288 and in Affidavit of Correction to the Plat of The Verzuh Ranch Annexation recorded September 3, 2002 bearing Reception No. 523391, Town of Crested Butte, County of Gunnison, State of Colorado ("Tract 2, Block 70") is hereby substituted and replaces Tract 4, Block 74, VERZUH RANCH ANNEXATION, according to the Final Plat recorded August 18, 2000 bearing Reception No. 504288 and in Affidavit of Correction to the Plat of The Verzuh Ranch Annexation recorded September 3, 2002 bearing Reception No. 523391, Town of Crested Butte, County of Gunnison, State of Colorado ("Tract 4, Block 74") under the Real Estate Mortgage.
3. Accordingly, the Real Estate Mortgage shall now encumber Tract 2, Block 70 and Tract 1, Block 70, and accordingly Tract 3, Block 74 and Tract 4, Block 74 are hereby released from the Real Estate Mortgage.
4. The exceptions from title set forth on page 2 of the Real Estate Mortgage shall be amended to reflect an exception for the lien of general taxes for the year 2016 rather than the year 2011.

Except as expressly modified by this Second Modification to Real Estate Mortgage, the terms of the Real Estate Mortgage shall remain unchanged and in full force and effect. Consent by Mortgagee to this Second Modification to Real Estate Mortgage does not waive Mortgagee's right to require strict performance of the Real Estate Mortgage as modified herein. Nothing in this Second Modification to Real Estate Mortgage shall constitute a satisfaction of the underlying Development Improvements Agreement.

IN WITNESS WHEREOF, the Mortgagor and the Mortgagee have hereunto set their hand and seal this _____ day of June, 2016.

THE REMAINDER OF THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY

THE SIGNATURES OF THE PARTIES APPEAR ON THE FOLLOWING PAGE

Verzuh Ranch, Inc., a Colorado corporation

By: _____
Billy Joe Lacy, President

STATE OF COLORADO)
) ss.
COUNTY OF GUNNISON)

The foregoing Second Modification to Real Estate Mortgage was acknowledged before me this ____ day of _____, 2016 by Billy Joe Lacy as President of Verzuh Ranch, Inc., a Colorado corporation.

Witness my hand and official seal.

My commission expires:

_____
Notary Public

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON, COLORADO

By: _____
Marlene Crosby, Deputy County Manager

Attest:

_____
Deputy County Clerk

EXHIBIT D

S Dominguez Gunnison County, CO 605475
05/06/2011 01:38 PM Pg: 1 of 15
559 R: $0.00 D: $0.00

DEVELOPMENT IMPROVEMENTS AGREEMENT

THIS Development Improvements Agreement (herein the "Agreement") is entered into this 3rd day of May, 2011 between the Board of County Commissioners of the County of Gunnison, Colorado, whose address is 200 E. Virginia, Gunnison, Colorado 81230 (herein the "County") and Verzuh Ranch, Inc., a Colorado corporation, whose address is PO Box 836, Crested Butte, CO 81224 (herein the "Developer") as follows:

1. Purpose. The Developer has submitted to the County the Developer's application for Land Use Change Permit No: 2005-73 regarding the subdivision of a 10.36 acre parcel into sixteen single family residential lots and a 4.74 acre common open space area known as Shady Island Subdivision (herein the "Project"). The Project is located within SW1/4NE1/4 and the NW1/4NE1/4, Section 24, Township 50 North, Range 1 West, N.M.P.M., on land owned by Developer described in Exhibit A hereto. As valuable and sufficient consideration for this Agreement, the County and the Developer agree that approval of such application by the County is expressly conditioned on completion of the improvements described in paragraph 7 below (herein the "Improvements") to the specifications described herein and by the times specified herein. The County and the Developer further agree that such Improvements are appropriate and necessary requirements to be required by the County, and to be performed by the Developer, and County where agreed, and which Developer shall perform as set forth below. The County and Developer further agree that an agreement guaranteeing the Developer's performance secured by suitable security to protect the interests of the County, and the public in the amount set forth herein is an appropriate condition to the County's approval of such Land Use Change Permit. The parties have entered into this Agreement to memorialize such understandings and agreements. The relationship of the parties to this Agreement is contractual; Developer is an independent contractor and is not an agent of the County.

2. Developer Bound. The Developer agrees to accept and be bound by the terms and conditions for the County's issuance of its reapproval of the Land Use Change Permit No: 2005-73 (the "Reapproval") and the terms and conditions of this Agreement. Developer accepts the County's review and permitting authority, process and performance of same in connection with Land Use Change No: 2005-73, as legal and valid and waives any defect therein.

3. Construction.

A. The Developer agrees to complete construction of the Improvements within the Project in the locations and in accordance with the specifications of the plans addressing the infrastructure improvements that are identified in paragraph 7 herein by no later than May 3, 2016, acts of God and any cause beyond the reasonable

control of the Developer excepted, including without limitation labor disputes, laws, regulations, or orders of any governmental entity, orders of court, inability to obtain any required authorization, act of war or conditions arising out of or attributable to war, riot, civil strike, insurrection or rebellion, fire, explosion, earthquake, storm, flood or other adverse weather condition, delay or failure by suppliers or materialmen, contractors, or subcontractors, shortage of or inability to obtain labor, supplies or materials.

B. In the event that Verzuh seeks, and obtains from the County, an extension of the Reapproval in accordance with Section 1-104(G) and (J) of the Gunnison County Land Use Resolution, then the time for completion of the contemplated development improvements shall be extended commensurately with the extension of the Reapproval. Otherwise, the completion deadline set forth in this paragraph 3 may be extended by the County in its sole discretion upon written request of Developer if the County determines that: (1) such extension of time will not operate to the detriment of the County, the public or the owners of property within the Project; and (2) the County's security is adequate to ensure full performance by Developer by the extended completion date; and (3) that such an extension would not be in conflict with the conditions of the approved Land Use Change Permit. The County may require Developer to provide, at Developer's cost, supplemental estimates by Developer's engineer of the costs of completion and to provide additional security as a prerequisite to its extension of any completion date. Any extended completion date granted by the County hereunder may be further extended in like manner.

C. Each contract entered into by Developer for construction of the Improvements shall provide that the County is a third party beneficiary with all rights to enforce such contracts in place of Developer in the event of a default by Developer. Developer shall provide to County a copy of each such contract upon its execution.

D. The county reserves the right not to permit construction of any building in the Project prior to full completion of the Improvements described in paragraph 7 below.

4. Estimated Cost. The total cost of the Improvements to be constructed by the Developer, including the work to be performed by the County, is estimated currently to be SEVEN HUNDRED TWENTY SIX THOUSAND NINE HUNDRED TWENTY TWO AND NO/U.S. DOLLARS ($726,922.00) plus a contingency amount.

5. Security. In order to secure all obligations of the Developer herein, the Developer and the County agree that the Developer shall, at Developer's sole cost, and before starting work on any phase of the Project or Improvements, and before conveying any portion of the Project, obtain and provide to the County either cash, a bond, an irrevocable letter of credit or other performance guarantee in a form and content satisfactory to the County to the

benefit of the County in the amount of at least NINE HUNDRED EIGHT THOUSAND SIX HUNDRED FIFTY TWO AND 50/100 U.S. DOLLARS ($908,652.50), which is 125 percent of the estimated cost of the Improvements set forth above, and which includes a reasonable contingency amount. In this instance, the security tendered shall be a first priority real estate mortgage on Lots 3 and 2, Block 74, of the Verzuh Ranch Annexation within the Town of Crested Butte, Colorado. The first priority real estate mortgage shall be the only mortgage lien or financial encumbrance with which Verzuh shall encumber the Lots. Developer shall have the right to substitute any other lot Developer owns within the Verzuh Ranch Annexation within the Town of Crested Butte, Colorado in place of Lot 3 and/or Lot 2, should a prospective purchaser contract for the purchase of either or both of those two lots specifically. The substituted lot or lots shall either (a) be of equal or greater value to the collateral being replaced and shall be held by a first priority real estate mortgage and shall be subject to the conditions above, or (b) in the event of a deficiency between value of the original collateral and the substituted collateral, such deficiency shall be made up by Developer in cash, bond, an irrevocable letter of credit or other performance guarantee in a form and content satisfactory to the County to the benefit of the County. If Developer substitutes a lot or lots, the County shall execute a release of the mortgage or request for release of the mortgage, whichever is appropriate and will accomplish the release of Lot 3, Lot 2, or any substitute lot or lots, as appropriate, from the real estate mortgage.

If the contract(s) provided to the County pursuant to paragraph 3C indicate a substantially different total cost than estimated in paragraph 4, the amount of security may be increased or decreased. For the purposes of this paragraph 5, substantial is defined as 10 percent or more.

Pending full performance of all of the terms and conditions hereof by the Developer, the County shall retain said security and shall remain the beneficiary of such security. In the event of any uncured default hereunder, the County in its sole discretion, and without any other authority required, shall have the unrestricted authority to sell the security or if said security has been replaced in a form of cash, bond or letter of credit, the County may draw up to the full amount of NINE HUNDRED EIGHT THOUSAND SIX HUNDRED FIFTY TWO AND 50/100 U.S. DOLLARS ($908,652.50), upon presentation by the County to the issuer of a written statement by the County that such uncured default exists. Upon timely performance of all terms and conditions hereof, said security shall be released by the County to the Developer, except as provided in paragraph 7C.

6. <u>Certification.</u>

A. Not later than May 3, 2016 or the deadline provided in any extension to this Agreement, a registered Colorado engineer retained by the Developer at it's expense shall certify to the County whether the Developer's construction obligations regarding Improvements under this agreement have been fully and faithfully performed according to design and time specifications. Upon receipt of such certification and a complete paper and an electronic copy of road and utility as built specifications and drawings, the County shall review the same and shall make an independent judgment whether to accept the same in the sole discretion of the County. Developer agrees not to cover or otherwise prevent inspection of the Improvements constructed hereunder until Developer's engineer and the County's representative have had reasonable opportunity to inspect such Improvements.

B. Not later than the later of five years from the date of this Agreement or the deadline provided in any extension to this Agreement, Developer shall provide to the County Attorney a sworn affidavit, signed by the Developer's authorized representative, that the Improvements completed have been paid for, in full, by the Developer. The Developer shall be responsible for the information so provided. Said written certification will be reviewed by the County, but the county shall have no responsibility or liability to any party regarding the veracity of the information so provided.

7. Scope of Work.

A. Except as provided in Paragraph 7.B below, the scope of work to be done by the Developer shall include, but not be limited to:

7.1 The plat titled, "Final Plat of Shady Island" prepared by Schmueser, Gordon, Meyer, Inc. dated March 25, 2008; and

7.2 The following plans addressing the infrastructure improvements:

a. *Demolition Plan*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.

b. *Utility Plan*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.

c. *Drainage and Grading Plan*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.

d. *Roadway Plan and Profile*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.

e. *Sanitary Sewer Plan and Profile*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.

f. *Site Plan*, dated May 16, 2007, prepared by Jim Sell Design

g. *Floodplain Study and Narrative*, dated May 18, 2007, prepared by Jim Sell Design

h. *Floodplain Study and Narrative*, dated March 31, 2008, prepared by Jim Sell Design

i. *Geotechnical Report*, dated February 21, 2007, prepared by Buckhorn Geotech

j. *Drainage Report*, dated May 16, 2007, prepared by Jim Sell Design

k. *Traffic Impact Analysis*, dated April 23, 2007, prepared by Matt Delich & Associates

l. *Water Treatment/Pump House Design and Water Line Layout*, prepared by Schmueser, Gordon, Meyer, Inc.

m. *Landscape Plan and Landscape Details*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.

n. *Protective Covenants of Shady Island*

o. *Wetlands Delineation*, dated July 18, 2006, prepared by Bio-Environs

p. *Preliminary Exterior Lighting Plan*, prepared by Jim Sell Design

q. *Bridge plans*, prepared by Contech Bridge Solutions Inc., stamped by Craig Thorstad, P.E. dated March 27, 2008; and

7.3 The cost estimate titled, "Infrastructure Cost Estimate – Shady Island Subdivision", prepared by Jim Sell Design and certified by Jonathan F. Sweet, dated March 24, 2008 identified in **Exhibit B** attached hereto and incorporated herein; and

7.4 The terms and conditions of the Reclamation Permit for Shady Island Subdivision and to the satisfaction and approval of the Gunnison County Weed Coordinator; and

7.5 Those conditions cited by the Planning Commission and approved by the Board of County Commissioners for Land Use Change Permit No: 2005-73.

B. Expressly excluded from the work to be performed by Developer and the improvements to be installed by Developer is all installation, construction, maintenance and operation of any sewer line, which is more fully and completely discussed in the Settlement Agreement between Developer and the County dated May 3, 2011, and the exhibits thereto (the "Settlement Agreement"). Notwithstanding any other provision of this Agreement, any work, improvements, and obligations to be performed or contemplated to be performed by the County pursuant to the Settlement Agreement, including any exhibits thereto, are expressly excepted from Developer's scope of work under this Agreement.

C. The conditions of this Agreement and Land Use Change Permit No: 2005-73 are such that if the obligations hereunder of the Developer are well, truly, faithfully and timely performed by Developer, inspected and certified to by the Developer's engineer, and such performance is accepted by the County in the County's sole discretion, the Developer's obligations to the County under this Agreement except as set forth in 7D below shall be at an end; otherwise such conditions and obligations shall remain in full force and effect.

D. For a period of one year from and after the acceptance of all of the work described in paragraph 7A above, Developer shall, at its own expense, make all needed repairs and replacements to such work as shall, in the County's reasonable opinion, become necessary. The County shall have the right to retain the Real Estate Mortgage or if said security has been replaced in a form of cash, bond or letter of credit, the County may retain up to ONE HUNDRED EIGHTY ONE

THOUSAND SEVEN HUNDRED THIRTY AND 50/100 U.S. DOLLARS ($181,730.50) of the security for up to one year following the acceptance of all of the work described in paragraph 7A above, as security to ensure such repair and replacement. The County shall have the right to retain the Real Estate Mortgage or if said security has been replaced in a form of cash, bond or letter of credit, the County may retain up to all of the Reclamation costs in the amount of SIXTY SEVEN THOUSAND NINE HUNDRED THIRTY FIVE AND NO/100 U.S. DOLLARS ($67,935.00) for a two year period after completion of initial reclamation efforts to ensure the disturbed areas have been reclaimed to the County's satisfaction.

8. Partial Release of Security.

A. The County recognizes that as work proceeds upon the Improvements, the County's need for security shall be reduced. Accordingly, the County may make a reasonable partial release of the security pursuant to paragraph 5 herein upon receipt of a written certification by Developer's engineer stating the estimated cost of remaining completion; upon receipt of such certification, the County shall review the same and shall make an independent judgment whether to accept the same in the sole discretion of the County. If the County does make a partial release, the County shall retain security equal to: (a) 125 percent of such estimated cost of remaining completion of Improvements plus 25 percent of the original estimated cost of the Improvements; and (b) all the estimated costs of all of the Reclamation; and shall release the balance of all security held by the County.

B. Upon Developer's entering into a contract or contracts for construction of Improvements hereunder, Developer and County may negotiate an addendum to this Agreement setting forth such reasonable schedule for partial releases of the security in accordance with the anticipated construction schedule. In such circumstance, the County shall designate and authorize the County Manager to make the partial release(s) hereunder after consultation with appropriate County staff.

9. Developer's Default. In the event of any default hereunder by the Developer, the County shall give notice to the Developer specifying the nature of such default, which notice shall be given by facsimile transmission or by certified mail with return receipt requested addressed to the Developer at: PO Box 836, Crested Butte, CO 81224. In the event the Developer does not remedy such default to the satisfaction of the County within 14 days following such notice, the County may elect, in its discretion to exercise all remedies available to it, including but not limited to:

A. To specifically enforce the terms and conditions of this Agreement;

B. To sell the security or if said security has been replaced in a form of cash, bond or letter of credit, the County may draw upon or otherwise obtain the benefit of the security;

C. To exercise any other rights and obtain any other remedies provided by law;

D. To obtain from the Developer either an extension of the County's security hereunder to guarantee the completion of the Improvements only on the conditions: (1) that suitable additional security is provided to the County to guarantee the construction of said Improvements within the new time period determined by the County; and (2) that the County determines that it would not be detrimental to the interest of the County, the public or the owners of property within the Project to allow such extension; and (3) that the County determines that it would not be in conflict with the conditions of the approved Land Use Change Permit.

10. Recording of Agreement. Upon its execution, this Agreement shall be recorded by the County, at the Developer's expense, and shall be a covenant running with the property herein described in order to put prospective purchasers or other interested parties on notice as to the terms and provisions hereof.

11. Retention of Police Powers. The County retains the power and right to impose additional requirements upon Developer with regard to the Project if the failure to do so would place the public or owners of property within the Project in a perilous condition, or in the event of substantially changed conditions; that is, nothing in this Agreement is or shall be construed to be a bargaining away of the County's police power.

12. Transfer or Assignment. No transfer or assignment of any of the rights or obligations of the Developer under this Agreement shall be permitted without prior written approval of the County which approval shall not unreasonably be withheld.

13. Title and Authority. The Developer expressly warrants and represents to the County that it is the record owner of the real property constituting the Project, and further represents and warrants, together with the undersigned individual, that the undersigned individual has full power and authority to enter into this Agreement. The Developer and the undersigned individual understand that the County is relying on such representations and warranties in entering into this Agreement.

14. Litigation. Nothing contained herein shall prevent either party from obtaining a judicial determination of the violation of its rights hereunder; provided however, that written notice to the other party advising the other party of the alleged violation, and advising that in the event the matter is not resolved by the parties within 14 days thereafter, shall be a condition precedent to the commencement of any litigation.

15. Time of Essence. It is mutually agreed that time of performance is an essential part of this Agreement and that all terms, covenants and conditions herein shall extend to and become obligatory upon the successors and assigns of the respective parties hereto.

16. Venue and Choice of Law. This Agreement is entered into in Gunnison County, Colorado and it is agreed that the exclusive jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Agreement shall be in the District Court of Gunnison County, Colorado. The exclusive choice of law pertaining to this transaction shall be that of the State of Colorado without giving effect to Colorado choice of law principles.

17. Severability. If any term or provision of this Agreement shall be invalid or unenforceable, the remainder of this Agreement and the terms and provisions thereof shall not be affected thereby and all other terms and provisions of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

18. Attorney's Fees. If any action is brought in a court of law by either party to this Agreement as to the enforcement, interpretation or construction of this Agreement or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorney's fees as well as all costs incurred in the prosecution or defense of such action.

19. Hold Harmless Clause. The Developer shall indemnify, defend and hold harmless the County, its officials, employees and agents from and against liability for damages, injury or death which may arise from the direct or indirect operations of the owner, Developer, contractors or subcontractors, which relate to the Project.

20. Entire Agreement. This Agreement contains the entire and only Agreement between the parties regarding development improvements, and no oral statements or representations not contained in this Agreement shall be of any force and effect between the parties. This Agreement shall not be modified or amended in any manner except by written instrument executed by the parties.

21. Binding Agreement. This Agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.

22. Notice. All notices and other communications required or permitted under this Agreement shall be in writing and shall be, as determined by the person giving such notice, either hand delivered, mailed by registered or certified mail, return receipt requested or by facsimile or telegraphic communication to the required party at the following addresses:

County:
Board of County Commissioners
of the County of Gunnison, Colorado
c/o County Attorney
200 East Virginia
Gunnison, CO 81230
Fax No: 970-641-7696

Developer:
Billy Joe Lacy
Verzuh Ranch, Inc.
PO Box 836
Crested Butte, CO 81224
Fax No: 970-349-5020

IN WITNESS WHEREOF the parties have executed this Agreement the date first above written:

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON,
COLORADO

By: _____
Hap Channell, Chairperson

ATTEST:

_____
Deputy County Clerk

GUNNISON COUNTY SEAL COLORADO

VERZUH RANCH, Inc.,
a Colorado corporation

By: Billy Joe Lacy
Billy Joe Lacy, its President

STATE OF COLORADO)
)ss.
County of Gunnison)

The foregoing instrument was acknowledged before me this 28 day of ~~May~~ April, 2011, by Billy Joe Lacy, President of Verzuh Ranch, Inc., a Colorado corporation. Declarant herein.

Witness my hand and seal.
My commission expires: 03/29/14.

ERIN CERISE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 03/29/2014

Erin Cerise
Notary Public
Address:

EXHIBIT A TO DEVELOPMENT IMPROVEMENTS AGREEMENT

A tract of land located in the NE1/4 of Section 24, Township 50 North, Range 1 West of the New Mexico Principal Meridian, Gunnison County, Colorado, being more particularly described as follows:

Beginning at a point on the easterly right-of-way line of State Highway 135 and the northerly line of a parcel of land described at Reception No. 533910, Gunnison county records, from which the brass cap witness corner for the East ¼ Corner of said Section 24 bears 375°16'05"E, 2665.65 feet; thence along the northerly line of said Parcel described at Reception No.533910 the following four (4) courses:

1) N88°26'00" E, 116.45 feet;
2) N85°07'51"E, 142.91 feet;
3) S00°11'00" W, 65.53 feet

thence S83°49'00"E, 290.58 feet to a point on the diagonal line between the northeast and southeast corners of the SW ¼, NE ¼, of said Section 24, said point being also on the westerly line of the Glen as recorded at Reception No. 558 465, Gunnison County records; thence along said diagonal line and said westerly line of the Glen N45°01'50"E, approximately 595 feet to the southeasterly most corner of Lot 7 and southerly most corner of Lot 8, Cline's Home Sites, as recorded at Reception No. 256413, Gunnison County records, said point being in the Gunnison River; thence along the southerly line of Lots 7, 6, 5 and 4 of said Cline's Home Sites, the following four (4) coordinate courses, said southerly line being in a channel of the Gunnison River.

1) S67°25'21" W, 147.58 feet
2) N82°15'05"W, 150.83 feet
3) N77°25'17"W, 142.29 feet
4) N65°45'27"W, 140.47 feet;

thence along the westerly line of said Lot 4, Cline's Home sites N02°10'00"W, 117.90 feet to the southeast corner of a parcel of land described in a document recorded at Reception No. 520174; thence along said Parcel S84°34'00"W, 157.20 feet; thence N02°18'00"W, approximately 106.91 feet to a point in the center of Clark Creek, said point being also on the southerly line of a parcel of land described at Reception No. 558930, Gunnison County records; thence along the centerline of said Clark Creek and said southerly line the following five (5) courses:

1) S43°58'30"W, 33.42 feet
2) S54°48'49"W, 107.23 feet
3) N52°46'45"W, 65.29 feet
4) N77°45'06"W, 125.99 feet to a point on the easterly right-of-way line of said State Highway 135; thence along said easterly right-of-way line the following four (4) courses:

1) S01°58'27"W, 145.45 feet
2) S01°45'53"E, 76.89 feet
3) S01°10'15"W, 156.65 feet
4) S00°22'32"W, 304.41 feet to the Point of Beginning, said Tract containing 10.55 acres, more or less.

in Gunnison County, Colorado.

S Dominguez Gunnison County, CO 605475
05/06/2011 01:38 PM Pg: 13 of 15
559 R: $0.00 D: $0.00

INFRASTRUCTURE COST ESTIMATE

Shady Island Subdivision

3/24/2008

Prepared for:
BILL LACY
Lacy Construction
PO Box 836
24474 Highway 135
Crested Butte, CO 81224
FAX 970.349.5020
970.349.5010

Prepared by:

JIM SELL DESIGN
153 West Mountain Avenue
Fort Collins, Colorado 80524
FAX 970.484.2443
970.484.1921

ROAD CONSTRUCTION

EXHIBIT "B"

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
Fill material	CY	$2.96	$1.09	$3.95	522.00	$4,176.00
3" Asphalt	SY	$9.55	$2.02	$1.89	2,318.00	$31,200.28
6" Base material	SY	$3.03	$1.33	$1.97	2,318.00	$14,672.94
19"X30" HERCP, in place	LF	$20.00	$10.00		89.00	$2,670.00
18" ADS, in place	LF	$15.90	$11.20	$2.70	176.00	$5,244.80
12" RCP, in place	LF	$13.00	$11.20	$2.70	300.00	$8,070.00
Street name signs	EA	$250.00	$46.70		2.00	$593.40
Stop signs	EA	$250.00	$46.70		2.00	$593.40
Bridge (40' span Truss)	LS	$80,000.00	$3,000.00	$7,000.00	1.00	$90,000.00
Abutments, Wingwalls & Footings	CY	$150.00	$325.00	$25.00	112.00	$56,000.00
					Sub-total	$213,220.82

Asphalt and base quantities are approximate until final geotechnical recommendation.

SEWAGE COLLECTION SYSTEM

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
8" PVC, in place	LF	$20.00	$10.00		1273	$38,190.00
4" PVC, in place	EA	$570.00	$280.00		16	$13,600.00
4' dia. Manholes, 8' in ave. depth	EA	$1,240.00	$944.00	$301.00	6	$14,910.00
					Sub-total	$66,700.00

WATER SYSTEM

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
Wells						
Well Pump Assembly	LS	$1,200.00	$400.00	$400.00	2	$4,000.00
Raw Water Supply Piping	LF	$8.60	$6.40		440	$6,600.00
Water Treatment Plant						
Building	SF	$110.00	$23.00	$13.00	192	$28,032.00
Treatment Process	LS	$151,408.00	$19,601.00	$3,970.00	1	$174,979.00
Bag Filtration	LS	$12,500.00	$1,500.00	$1,000.00	1	$15,000.00
Hydrant and Cistern	LS	$10,900.00	$1,100.00		1	$12,000.00
Water Distribution						
Water Main	LF	$16.20	$6.40	$2.30	1167	$29,556.30
Water Service	EA	$200.00	$300.00		16	$8,000.00
Yard Hydrant	LS	$1,250.00	$250.00		2	$3,000.00
					Sub-total	$281,167.30

EROSION CONTROL

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
Silt Fence	LF	$0.50	$0.82		3058	$4,036.56
Erosion Control Blanket	SY	$4.36	$0.75		614	$3,137.54
Vehicle Tracking Pad	SY	$4.92	$1.33	$1.97	125	$1,027.50
					Sub-total	$8,201.60

NATURAL GAS

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
Excavation and backfill	LF		$3.47	$1.36	1470	$7,100.10

Install gas main system (Atmos Energy)	LS	$5,000.00	$5,000.00		1	$10,000.00
					Sub-total	$17,100.10

ELECTRICAL DISTRIBUTION SYSTEM

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
Excavation and backfill	LF		$3.47	$1.36	1470	$7,100.10
Gunnison County Rural Electric Association	LS	$5,000.00	$5,000.00		1	$10,000.00
					Sub-total	$17,100.10

LANDSCAPING & RECLAMATION

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
Entry feature	LS	$1,000.00	$1,500.00	$500.00	2	$6,000.00
6' wide crusher fines pedestrian trail	LF	$5.00	$5.00	$5.00	766	$11,490.00
5' Worm Fence	LF	$3.00	$4.00	$1.00	586	$4,688.00
2.5" Cal Deciduous Tree	EA	$350.00	$150.00		28	$14,000.00
1.5" Cal Ornamental Tree	EA	$250.00	$150.00		8	$3,200.00
6' Evergreen Tree	EA	$350.00	$150.00		8	$4,000.00
5 Gal Cont Shrub	EA	$25.00	$10.00		62	$2,170.00
5'x3'x18" Boulders	EA	$100.00	$50.00	$50.00	26	$5,200.00
Seeding & mulching of disturbed areas	ACRE	$1,300.00	$1,100.00	$600.00	1.2	$3,600.00
					Sub-total	$54,348.00

TELEPHONE

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
Telephone - materials and installation	LS	$1,500.00	$1,500.00		1	$3,000.00
					Sub-total	$3,000.00

Total Construction Costs	$	660,838
Engineering and Project Management Costs	$	66,083.79
Total Project Cost Estimate =	**$**	**726,922**

This is an Engineer's Opinion of Probable Cost and is supplied only as a guide. It is recognized that Jim Sell Design does not have control over the costs of labor, equipment or materials. This opinion is based on Jim Sell Design's reasonable professional judgment and experience and does not constitute a warranty of project costs.

COLORADO LICENSED
JONATHAN F. SWEET
40341
7/31/05
PROFESSIONAL ENGINEER

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT ("Agreement") is made this 3rd day of May, 2011, by and between Verzuh Ranch, Inc. , a Colorado corporation whose address is PO Box 836, Crested Butte, Colorado 81230 ("Verzuh"), and the Board of County Commissioners of the County of Gunnison, Colorado whose address is 200 E. Virginia, Gunnison, Colorado ("County"). Each of the foregoing parties is sometimes referred to as a "Party" and collectively as the "Parties".

WITNESSETH:

WHEREAS, Verzuh is the owner of certain real property located in Gunnison County, Colorado, which is more particularly described in **Exhibit A,** attached hereto and incorporated herein (the "Property"); and

WHEREAS, Verzuh submitted Land Use Change Application No. 2005-73, which proposed to subdivide the Property into sixteen single-family residential lots and 4.74 acres of private open space (the "Land Use Change Application"); and

WHEREAS, the County conditionally approved the Land Use Change Application on May 20, 2008, by Resolution No. 19, Series 2008, titled "A Resolution Approving The Final Plan Of Land Use Change Application No. 2005-73 A Land Use Change Permit For Verzuh Ranch Inc. For The Shady Island Subdivision" (the "Initial Approval"). The Initial Approval was recorded on May 21, 2008 at reception number 584019 in the Office of the Gunnison County Clerk and Recorder and is attached hereto and incorporated herein as **Exhibit B; and**

WHEREAS, Verzuh has requested that the County reapprove the Land Use Change Application on the same terms and conditions as the Initial Approval, except as otherwise modified herein; and

WHEREAS, the County is willing to agree to Verzuh's request for reapproval of the Land Use Change Application, subject to the terms and conditions contained herein; and

WHEREAS, in connection with the Land Use Change Application, a dispute has arisen between Verzuh and the County concerning the amount Verzuh owes the County for vacant lot sewer fees (the "Fee Dispute"); and

WHEREAS, the Parties have reached a resolution of the Fee Dispute, agreed upon the amount owed by Verzuh to the County for vacant lot sewer fees, and desire to memorialize such agreement; and

WHEREAS, the County desires to obtain from Verzuh a non-exclusive, temporary easement over and across the Property for purpose of constructing said underground sewer lines (the "Temporary Construction Easement"), together with a

non-exclusive, perpetual easement over and across the Property for the purpose of operating and maintaining certain underground sewer lines (the "Permanent Sewer Easement"), according to the terms and conditions contained herein; and

WHEREAS, Verzuh is willing to convey the Temporary Construction Easement and the Permanent Sewer Easement to the County pursuant to the terms and conditions set forth herein; and

WHEREAS, through the Parties' discussions and negotiations, the Parties have decided to resolve the foregoing matters through a mutually acceptable compromise and settlement for the benefit of the Parties and public health and welfare; and

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual promises, covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Reapproval Of Land Use Change Application. Contemporaneously with the full execution of this Agreement, the County hereby agrees to issue a formal Resolution, substantially in the form attached hereto and incorporated herein as **Exhibit C**, reapproving the Land Use Change Application, effective as of the date of the full execution of this Agreement (the "Reapproval"). The Reapproval shall be recorded in the office of the Gunnison County Clerk and Recorder and shall constitute a Land Use Change Permit within the meaning of the Gunnison County Land Use Resolution. The Reapproval shall supersede and replace the Initial Approval, and in the event of any conflict between the provisions of this Agreement and the Reapproval, this Agreement shall control. Pursuant to Section 1-104(F) of the Gunnison County Land Use Resolution, the term of the Reapproval shall be three years, provided however, that the parties acknowledge and agree that Verzuh shall have the right to request an extension of the Reapproval, at least three months, but no more than six months, before the Reapproval expires in accordance with Section 1-104(G) and (J) of the Gunnison County Land Use Resolution.

2. Modification Of Development Improvements Agreement. In connection with the Initial Approval, the Parties had agreed previously to a form of, but not entered into, a Development Improvements Agreement for the Land Use Change Application. The County also had agreed to accept a first priority real estate mortgage on Lots 3 and 2, Block 74, of the Verzuh Ranch Annexation within the Town of Crested Butte, Colorado as security for Verzuh's obligations under the proposed Development Improvements Agreement.

a. The Parties agree to modify the form of the Development Improvements Agreement previously agreed to as follows:

i. The time for the completion of the contemplated development improvements shall be extended to five years from the date the new Development Improvements Agreement is fully executed.

In the event Verzuh seeks, and obtains from the County, an extension of the Reapproval in accordance with Section 1-104(G) and (J) of the Gunnison County Land Use Resolution, then the time for completion of the contemplated development improvements shall be extended commensurately with the extension of the Reapproval.

ii. The County shall agree to accept a first priority real estate mortgage on Lots 3 and 2, Block 74, of the Verzuh Ranch Annexation within the Town of Crested Butte, Colorado as security for Verzuh's obligations under the new Development Improvements Agreement. The first priority real estate mortgage shall be the only mortgage lien or financial encumbrance with which Verzuh shall encumber said Lots. Verzuh shall have the right to substitute any other lot Verzuh owns within the Verzuh Ranch Annexation within the Town of Crested Butte, Colorado in place of Lot 3 and/or Lot 2, should a prospective purchaser contract for the purchase of either or both of those two lots specifically. The substituted lot or lots shall either (a) be of equal or greater value to the collateral being replaced and said replacement lots shall be held as collateral by a first priority real estate mortgage and shall be subject to the conditions above, or (b) in the event of a deficiency between value of the original collateral and the substituted collateral, such deficiency shall be made up by Verzuh in cash, bond, an irrevocable letter of credit or other performance guarantee in a form and content satisfactory to the County to the benefit of the County.

iii. The new Development Improvements Agreement shall be modified to account for the County's construction of the sewer lines, as more particularly described in paragraph 6 below.

b. Contemporaneously with the full execution of this Agreement, the Parties shall execute a Real Estate Mortgage, substantially in the form attached hereto and incorporated herein as **Exhibit D**, which shall serve as security for the new Development Improvements Agreement.

c. Contemporaneously with the full execution of this Agreement, the Parties shall execute a new Development Improvements Agreement incorporating the above described modifications, substantially in the form attached hereto and incorporated herein as **Exhibit E**.

3. Resolution Of Fee Dispute. The Parties agree that as of the date of this Agreement, Verzuh owes the County $1,459.74 in outstanding vacant lot sewer fees for the Property. Contemporaneously with the execution of this Agreement, Verzuh shall pay the County $1,459.74. In exchange for such payment, the County shall, through the date of this Agreement, waive any and all claims to any additional amounts in

vacant lot sewer fees for the Property and hereby waives, releases, relinquishes, abandons and deems fully satisfied any liens arising under law, including but not limited to any lien arising by virtue of C.R.S. § 30-20-420 or any resolution of the County. Further, on behalf of Verzuh, the County shall redeem all tax liens on the Property and shall provide Verzuh with certificates of redemption for all tax liens encumbering the Property pursuant to C.R.S. § 39-12-105. Upon Verzuh's receipt of said certificates of redemption, Verzuh waives, releases, abandons, and relinquishes any claim it may have to recover vacant lot sewer fees it has previously paid in connection with its ownership of the Property.

4. Future Availability Of Service Fees. From the date of this Agreement forward, the Property shall be treated as a single lot for purposes of calculating the vacant lot sewer fees due from Verzuh to the County, unless and until the final plat of Shady Island Subdivision is recorded. Provided Verzuh pays the vacant lot sewer fee due for a single lot from the date of this Agreement until the final plat of the proposed Shady Island Subdivision is recorded (which Verzuh may pay, but is not required to pay), Verzuh shall be entitled to the benefit of having paid the vacant lot sewer fee from the time it acquired the Property. Once the final plat of the proposed Shady Island Subdivision is recorded, payment of the vacant lot sewer fee must be made for each lot shot shown on the Final Plat in order for each such lot to benefit from payment of the vacant lot sewer fee. The benefit of having paid the vacant lot sewer fee due for a lot is that upon the connection of such lot to the central sewer maintained by the North Gunnison Division of the Gunnison County Water and Sewer District, the owner of such lot shall be charged only the City of Gunnison's portion of the District sewer capacity charge, which is currently $3,000 (but may increase in the future). Nothing in this paragraph four shall require Verzuh or any lot owner within the proposed Shady Island Subdivision to pay any vacant lot sewer fee to the County; instead, the payment of such fee shall be at the sole option of Verzuh or the owner of lot within the proposed Shady Island Subdivision, provided however that in the event Verzuh or the owner of a lot chooses not to pay the vacant lot sewer fee, the owner of such lot shall not be entitled to the benefit of having paid the vacant lot sewer fee described above.

5. Recording Of The Proposed Shady Island Subdivision Plat. Verzuh must record the final plat of the proposed Shady Island Subdivision prior to the expiration of the Reapproval, or the extended term of the Reapproval if applicable. Verzuh may, but shall not be required to, record the final plat of the proposed Shady Island Subdivision before the expiration of the Reapproval, or the extended term of the Reapproval if applicable, provided however, that in no event shall Verzuh record the final plat of the proposed Shady Island Subdivision before the execution and recording of the resolution attached hereto as Exhibit C, the execution and recording of the Development Improvements Agreement attached hereto as Exhibit D, and the execution and recording of the Real Estate Mortgage attached hereto as Exhibit E.

6. County To Construct Sewer Lines. The County agrees to construct the underground sewer lines as described in, and in conformance with, the Temporary Construction Easement granted pursuant to Paragraph 7 below and the Perpetual Nonexclusive Easement granted pursuant to Paragraph 8 below.

7. Grant Of Temporary Construction Easement. Contemporaneously with the full execution of this Agreement, Verzuh shall convey the Temporary Construction Easement to the County substantially in the form of the Grant of Temporary Construction Easement for Sewer Line attached hereto and incorporated herein as **Exhibit F**.

8. Grant Of Permanent Sewer Easement. Contemporaneously with the full execution of this Agreement, Verzuh shall convey the Permanent Sewer Easement to the County substantially in the form of the Grant of Perpetual Nonexclusive Easement for Sewer Line attached hereto and incorporated herein as **Exhibit G**.

9. No Third Party Beneficiaries. This Agreement is not intended to confer upon any person other than the Parties any rights or remedies hereunder. It is further mutually agreed and understood by the parties hereto and this provision is public notice hereto that, by the execution and delivery of these presents, it is not intended, nor shall it be so construed, that the Parties are entering into a partnership agreement, a joint venture, or any other kind of a business entity or relationship through which Verzuh or the County intend to incur any liability in whatever form or nature with respect to the Property that is the subject of this Agreement.

10. Notices. All notices and communications required or contemplated by this Agreement shall be in writing and shall be sent by certified mail, return receipt requested, to the addresses set forth herein. Notice shall be deemed properly given when received by a party and not the party's attorney. Any Party may change its address by giving written notice of the change to the other Party in the manner provided herein.

To Verzuh:
Bill Lacy
Verzuh Ranch, Inc.
P.O. Box 836
24474 State Hwy 135
Crested Butte, Colorado 81224
Facsimile: (970) 349-5020

Copy to:
Bratton Hill Wilderson & Lock, LLC
Attn: Marcus J. Lock or Jacob A. With
525 N. Main St.
Gunnison, CO 81230

To County:

Matthew Birnie
County Manager
200 East Virginia Avenue

Gunnison, Colorado 81230
970-641-0248

11. Severability. If any term or provision of this Agreement shall be invalid or unenforceable, the remainder of this Agreement and the terms and provisions thereof shall not be affected thereby and all other terms and provisions of this Agreement shall be valid and enforceable to the full extent permitted by law.

12. Attorneys Fees Incurred In Preparation Of Agreement. Each Party shall be responsible for its own attorneys fees, costs, and expenses incurred in the preparation of this Agreement.

13. Costs of Collection. In the event litigation is commenced by a Party to enforce or interpret any provision of this Agreement, the prevailing party in such litigation shall be entitled to receive, in addition to all other sums and relief, its reasonable costs and attorney's fees, incurred both at and in preparation for trial and any appeal or review as well as all costs of collection, including without limitation all attorney's fees incurred in collecting on the prevailing party's judgment.

14. No Admission of Liability. The purpose of this Agreement is to avoid confrontation and resolve disputes between the Parties to this Agreement in a manner that is beneficial to all Parties. Accordingly, neither this Agreement nor the fact that the Parties have entered into this Agreement shall be deemed an admission, express or implied, of: (a) liability by any Party to any other person or entity; (b) any fact, other than the facts set forth in the Recitals to this Agreement; or (c) the merits of the position taken by any Party with respect to any matter.

15. Effectuation of Agreement. Each Party shall execute any and all documents and do and perform any and all acts and things necessary or proper to effectuate or further evidence the terms and provisions of this Agreement.

16. Complete Agreement; Modification; and Waiver. This Agreement constitutes the entire agreement between the Parties and supersedes all prior and contemporaneous agreements, representations, warranties and understandings of the Parties. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all parties. No waiver of any of the provisions of this Agreement shall be deemed or constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

17. Review; Representation by Counsel; Etc. Each Party acknowledges and represents that:

a) It has fully and carefully read and considered this Agreement prior to its execution;

b) It has consulted with or has had the opportunity to consult with

its/his/her/their attorneys regarding the legal effect and meaning of this Agreement and all terms and conditions hereof, and that it is fully aware of the contents of this Agreement and its legal effect;

c) It has had the opportunity to make whatever investigation or inquiry it deems necessary or appropriate in connection with the subject matter of this Agreement; and

d) It is executing this Agreement voluntarily and free from any undue influence, coercion, duress or fraud of any kind.

18. Miscellaneous Provisions.

a) This Agreement shall be binding upon and shall inure to the benefit of the Parties and the Parties' respective heirs, legal representatives, successors and assigns;

b) The paragraph headings used in this Agreement are for purposes of identification only and shall not be considered in construing this Agreement. Furthermore, this Agreement shall be deemed to have been prepared with the full and equal participation of the Parties and their respective counsel and shall not be construed by one Party against the other;

c) This Agreement shall be construed and enforced in accordance with the laws of the State of Colorado, and the exclusive venue for any action to resolve a dispute arising out of or related to this Agreement shall be the District Court in and for Gunnison County, Colorado;

d) This Agreement may be executed in multiple counterparts, each of which shall constitute an original, and all of which together shall constitute one and the same document. The Parties will accept facsimile and/or electronic signatures as original signatures; and

e) Each person signing this Agreement and each Party to this Agreement, hereby represents and warrants that the person signing on behalf of the Party has full authority to sign this Agreement on behalf of the Party, that the person signing is duly authorized to sign this Agreement on behalf of the Party, and that the Party's execution of this Agreement was approved by the Party as required by any Articles of Incorporation, Bylaws, or any other governing documents, statute, or other applicable law.

WHEREFORE, the parties hereto have executed duplicate originals of this Agreement on the day and year first written above.

[THE SIGNATURES OF THE PARTIES APPEAR ON THE FOLLOWING PAGE]

VERZUH RANCH, INC., a Colorado corporation

By: _____
Billy Joe Lacy, President

STATE OF COLORADO)
) ss.
COUNTY OF GUNNISON)

The foregoing Agreement was acknowledged before me this 28 day of April 2011 by Billy Joe Lacy as President of Verzuh Ranch, Inc., a Colorado corporation.

Witness my hand and official seal.

My commission expires: 03/29/14

ERIN CERISE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 03/29/2014

_____
Notary Public

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON, COLORADO:

By: _____
Hap Channell, Chairperson

By: _____
Paula Swenson, Vice Chairperson

By: _____
Phil Chamberland, Commissioner

Attest:

_____
Katherine Haase, Deputy County Clerk

GUNNISON COUNTY SEAL COLORADO

VERZUH RANCH, INC., a Colorado corporation

By: Billy Joe Lacy
Billy Joe Lacy, President

STATE OF COLORADO)
) ss.
COUNTY OF GUNNISON)

The foregoing Agreement was acknowledged before me this 28 day of April 2011 by Billy Joe Lacy as President of Verzuh Ranch, Inc., a Colorado corporation.

Witness my hand and official seal.

My commission expires: 03/29/14

ERIN CERISE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 03/29/2014

Erin Cerise
Notary Public

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON, COLORADO:

By: _____
Hap Channell, Chairperson

By: _____
Paula Swenson, Vice Chairperson

By: _____
Phil Chamberland, Commissioner

Attest:

_____
Katherine Haase, Deputy County Clerk

Exhibit A

A tract of land located in the NE1/4 of Section 24, Township 50 North, Range 1 West of the New Mexico Principal Meridian, Gunnison County, Colorado, being more particularly described as follows:

Beginning at a point on the easterly right-of-way line of State Highway 135 and the northerly line of a parcel of land described at Reception No. 533910, Gunnison county records, from which the brass cap witness corner for the East ¼ Corner of said Section 24 bears 375°16'05"E, 2665.65 feet; thence along the northerly line of said Parcel described at Reception No.533910 the following four (4) courses:

1) N88°26'00" E, 116.45 feet;
2) N85°07'51"E, 142.91 feet;
3) S00°11'00" W, 65.53 feet

thence S83°49'00"E, 290.58 feet to a point on the diagonal line between the northeast and southeast corners of the SW ¼, NE ¼, of said Section 24, said point being also on the westerly line of the Glen as recorded at Reception No. 558 465, Gunnison County records; thence along said diagonal line and said westerly line of the Glen N45°01'50"E, approximately 595 feet to the southeasterly most corner of Lot 7 and southerly most corner of Lot 8, Cline's Home Sites, as recorded at Reception No. 256413, Gunnison County records, said point being in the Gunnison River; thence along the southerly line of Lots 7, 6, 5 and 4 of said Cline's Home Sites, the following four (4) coordinate courses, said southerly line being in a channel of the Gunnison River.

1) S67°25'21" W, 147.58 feet
2) N82°15'05"W, 150.83 feet
3) N77°25'17"W, 142.29 feet
4) N65°45'27"W, 140.47 feet;

thence along the westerly line of said Lot 4, Cline's Home sites N02°10'00"W, 117.90 feet to the southeast corner of a parcel of land described in a document recorded at Reception No. 520174; thence along said Parcel S84°34'00"W, 157.20 feet; thence N02°18'00"W, approximately 106.91 feet to a point in the center of Clark Creek, said point being also on the southerly line of a parcel of land described at Reception No. 558930, Gunnison County records; thence along the centerline of said Clark Creek and said southerly line the following five (5) courses:

1) S43°58'30"W, 33.42 feet
2) S54°48'49"W, 107.23 feet
3) N52°46'45"W, 65.29 feet
4) N77°45'06"W, 125.99 feet to a point on the easterly right-of-way line of said State Highway 135; thence along said easterly right-of-way line the following four (4) courses:

1) S01°58'27"W, 145.45 feet
2) S01°45'53"E, 76.89 feet
3) S01°10'15"W, 156.65 feet
4) S00°22'32"W, 304.41 feet to the Point of Beginning, said Tract containing 10.55 acres, more or less.

in Gunnison County, Colorado.

Exhibit B

S Dominguez Gunnison County, CO 584019
05/21/2008 01:43 PM Pg: 1 of 5
447 R: $0.00 D: $

BOARD OF COUNTY COMMISSIONERS OF GUNNISON COUNTY
RESOLUTION NO. 19, SERIES 2008

A RESOLUTION APPROVING THE FINAL PLAN OF LAND USE CHANGE APPLICATION NO. 2005-73 A LAND USE CHANGE PERMIT FOR VERZUH RANCH INC. FOR THE SHADY ISLAND SUBDIVISION

WHEREAS, Verzuh Ranch, Inc. has applied for a Gunnison County Land Use Change Permit to subdivide a 10.36-acre parcel into sixteen single-family residential lots and common open space area of 4.74 acres on a parcel legally described as the SW ¼ NE ¼ and the NW ¼ NE 1/4, Section 24, Township 50 North, Range 1 West, N.M.P.M.; and

WHEREAS, after a review of the application and all information, documentation and testimony related to it, the Gunnison County Planning Commission did, on April 4, 2008 forward to the Board of County Commissioners a Recommendation of approval of the Preliminary Plan application with certain Findings and Conditions and whereas on April 15, 2008 the Board of County Commissioners did approve with certain Findings and Conditions the Shady Island Preliminary Plan;

FINDINGS:

1. This application is consistent with the standards and requirements of the *Land Use Resolution.*

2. The project, by definition, is classified as a Major impact.

3. The Final Plan complies with the conditions imposed by the Board of County Commissioners Preliminary Plan approval.

4. No phases are proposed for this development.

5. The Colorado Department of Transportation has issued access permit No. 308006 for the northern access point. An access permit was not required for the southern access point.

6. The northern access to Shady Island also provides access to lot owners in Cline's Homesites and other property owners that are not part of either subdivision.

7. To convey land under the existing easement shall require 100% approval of all easement holders; the size and boundaries of Lot 1 are dependent on this approval.

8. The Shady Island Subdivision will be served by the North Gunnison Sewer extension for wastewater treatment.

9. The developer of Shady Island has agreed to provide adequate sewer line sizing to allow for the homeowners in Cline's Homesites to connect to the North Gunnison Sewer extension for wastewater treatment.

10. A wetlands delineation has been prepared by Bio-Environs, dated July 18, 2006. The Army Corps of Engineers, in a letter dated August 31, 2006 accepted the wetlands delineation and jurisdictional determination.

11. The proposed development complies with the inner restrictive buffer setback of 25 feet as identified in *Section 11-107* of the *LUR*.

12. Lots 2, 3, 4, 5, 7, 8, 11, 14 and 15 are zero lot line developments.

13. There are specific limitations on development of zero lot lines identified in *Section 13-104 C.* of the *LUR*. The Covenants of Shady Island identify the limitations and restrictions of zero lot lines.

14. The applicant has agreed to limit construction hours in Shady Island Subdivision to the following: 7:00 a.m. until 5:00 p.m. Monday through Fridays, 7:00 a.m. to 4:00 p.m. on Saturdays, and no construction will be allowed on Sundays. These hours were designated in Section 6.19 of the Protective Covenants.

15. Well permits have not yet been issued by the Colorado Division of Water Resources.

16. The applicant has submitted an augmentation plan to the Colorado Water Court which has been approved.

17. The bridge accessing the island shall be constructed one-foot above the base flood elevation, as identified in a flood elevation certificate stamped by Gerald Burgess, P.E. and dated March 28, 2008.

18. Portions of the Shady Island Subdivision are within the 100-year floodplain; Flood Elevation Certificates and Floodplain Development permits shall be submitted prior to the issuance of any building permits within the 100-year floodplain.

19. The proposed land use change complies with all applicable requirements of the *Gunnison County Land Use Resolution* and Section 7-102: *Standards of Approval for Major Impact Projects*, unless specific required additional submittal items have been identified, as a condition of approval.

20. This review and recommendation incorporates, but is not limited to, all the documentation submitted to the County and included within the Planning Office file relative to this application; including all exhibits, references and documents as included therein.

21. The applicant is required to timely and fully obtain and comply with all applicable federal, state, municipal and other permits and terms and conditions of any municipal, state, federal permits required

22. This permit may be revoked or suspended if Gunnison County determines that any material fact set forth herein or represented by the applicant was false or misleading, or that the applicant failed to disclose facts necessary to make any such fact not misleading.

23. The removal or material alteration of any physical feature of the property (geological, topographical or vegetative) relied on herein to mitigate a possible conflict shall require a new or amended land use change permit.

CONDITIONS:

1. All development on zero lot lines shall comply with *Section 13-104 C* of the *Gunnison County Land Use Resolution.*

2. There are limited uses on the zero lot line wall. The wall of the residence located on the zero lot line shall have no windows, doors, air conditioning units or any other type of opening except that the following alternatives may be used: enclosed atriums, patios or similar amenities are permitted on the zero lot line side when they are enclosed by three walls of the residence and a solid wall on the zero lot line at least eight feet in height and constructed of material that complements the color and texture of the residence exterior.

3. All buildings proposed in the 100-year floodplain shall be required to submit a Flood Elevation Certificate prepared by a Colorado licensed engineer and a Floodplain Development permit prior to the issuance of any building permits.

4. A Floodplain Development permit for the bridge has been issued.

5. Mounding, in excess of that needed to provide positive drainage, adjacent to any building within the development shall be prohibited.

6. The owner and/or developer of the Shady Island Subdivision shall be responsible for working with the Gunnison County Public Works Department so that the sewer line that serves Shady Island Subdivision is sized and installed so that it can be extended to provide service to Cline's Homesites.

7. No construction of the sewer line may begin until the owner/developer has written approval of the Public Works Department.

8. Construction hours shall be limited to the following: 7:00 a.m. until 5:00 p.m. Monday through Fridays, 7:00 a.m. to 4:00 p.m. on Saturdays, and no construction will be allowed on Sundays.

9. All development and improvements within the Shady Island Subdivision shall comply with *Section 11-107: Protection of Water Quality* of the *Gunnison County Land Use Resolution.*

10. A Development Improvements Agreement, subject to approval by the Gunnison County Attorney, shall be executed by the Board of County Commissioners, prior to recordation of the final plat, addressing the infrastructure improvements defined in the following plans:
    - *Demolition Plan*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.
    - *Utility Plan*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.
    - *Drainage and Grading Plan*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.

- *Roadway Plan and Profile*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.
- *Sanitary Sewer Plan and Profile*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.
- *Site Plan*, dated May 16, 2007, prepared by Jim Sell Design
- *Floodplain Study and Narrative*, dated May 18, 2007, prepared by Jim Sell Design
- *Floodplain Study and Narrative*, dated March 31, 2008, prepared by Jim Sell Design
- *Geotechnical Report*, dated February 21, 2007, prepared by Buckhorn Geotech
- *Drainage Report*, dated May 16, 2007, prepared by Jim Sell Design
- *Traffic Impact Analysis*, dated April 23, 2007, prepared by Matt Delich & Associates
- *Water Treatment/Pump House Design and Water Line Layout*, prepared by Schmueser, Gordon, Meyer, Inc.
- *Landscape Plan and Landscape Details*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.
- *Protective Covenants of Shady Island*
- *Final Plat*, prepared by Schmueser, Gordon, Meyer, Inc. dated March 27, 2008
- *Wetlands Delineation*, dated July 18, 2006, prepared by Bio-Environs
- *Infrastructure Cost Estimate*, prepared by Jim Sell Design and stamped by Jonathan Sweet, dated March 24, 2008
- *Preliminary Exterior Lighting Plan*, prepared by Jim Sell Design
- *Bridge plans*, prepared by Contech Bridge Solutions Inc., stamped by Craig Thorstad, P.E. dated March 27, 2008

11. That a performance bond, letter of credit or other means of surety acceptable to the Board, be required to cover cost plus 25 percent; such costs as detailed by the applicant's engineer, "Infrastructure Cost Estimate," Jim Sell Design, Jonathan Forest Sweet, P.E., and that said surety is retained by the County.

12. A Colorado licensed engineer shall provide verification post construction that the bridge was constructed one-foot above the base flood elevation prior to the issuance of any building permits in Shady Island Subdivision.

13. The applicant shall install road signs and provide documentation from the Fire Protection District that the signs have been installed and inspected by the Fire District, to the Planning Department, prior to the issuance of any building permits for the subdivision.

14. The following shall be completed upon recordation of the Final Plat:

    - The applicant shall provide two copies of the final plat designating County addresses for each lot, to the appropriate office of Qwest.
    - The applicant shall provide one copy of the final plat, designating County addresses for each lot, to the U.S. Postal Service.

15. This permit is limited to activities described within the "Project Description" of this application, and as depicted on the Plan submitted as part of this application. Expansion or change of this use will require either an application for amendment of this permit, or submittal of an application for a new permit, in compliance with applicable requirements of the *Gunnison County Land Use Resolution*.

16. This approval is founded on each individual requirement. Should the applicant successfully challenge any such finding or requirement, this approval is null and void.

17. This permit may be revoked or suspended if Gunnison County determines that any material fact set forth herein or represented by the applicant was false or misleading, or that the applicant failed to disclose facts necessary to make any such fact not misleading.

18. The removal or material alteration of any physical feature of the property (geological, topographical or vegetative) relied on herein to mitigate a possible conflict shall require a new or amended land use change permit.

19. Approval of this use is based upon the facts presented and implies no approval of similar use in the same or different location and/or with different impacts on the environment and community. Any such future application shall be reviewed and evaluated, subject to its compliance with current regulations, and its impact to the County.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Gunnison County, Colorado, that the Final Plan for Land Use Change application No. 2005-73 is hereby approved; and

WHEREAS, THIS APPROVAL is affected noting that decision documentation includes, but is not limited to the application and the entire Planning Department Land Use Change Permit application file relative to this application. This approval is founded on each individual finding and requirement. Should the applicant successfully challenge any such finding or requirement, this approval is null and void.

THIS RESOLUTION AND THE APPROVAL GRANTED HEREBY shall not be effective unless and until a copy is recorded in the Office of the Clerk and Recorder of Gunnison County.

INTRODUCED by Commissioner Swenson, seconded by Commissioner Starr, and passed on this 20th day of May, 2008.

BOARD OF COUNTY COMMISSIONERS

Hap Channell, Chairperson

Jim Starr, Commissioner

Paula Swenson, Commissioner

ATTEST:

~~Gunnison County Clerk and Recorder~~
Deputy County Clerk

GUNNISON COUNTY SEAL COLORADO

Exhibit C

BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF GUNNISON, COLORADO
RESOLUTION NO. ____, SERIES 2011

A RESOLUTION REAPPROVING THE FINAL PLAN OF LAND USE CHANGE APPLICATION NO. 2005-73 A LAND USE CHANGE PERMIT FOR VERZUH RANCH INC. FOR THE SHADY ISLAND SUBDIVISION

WHEREAS, Verzuh Ranch, Inc. has applied for a Gunnison County Land Use Change Permit to subdivide a 10.36-acre parcel into sixteen single-family residential lots and common open space area of 4.74 acres on a parcel legally described as the SW ¼ NE ¼ and the NW ¼ NE ¼, Section 24, Township 50 North, Range 1 West, N.M.P.M.; and

WHEREAS, after a review of the application and all information, documentation and testimony related to it, the Gunnison County Planning Commission did, on April 4, 2008 forward to the Board of County Commissioners of the County of Gunnison, Colorado (herein the "Board")a Recommendation of approval of the Preliminary Plan application with certain Findings and Conditions and whereas on April 15, 2008 the Board did approve with certain Findings and Conditions the Shady Island Preliminary Plan;

WHEREAS, the Board approved the Final Plan of Land Use Change Application No. 2005-73 on May 20, 2008, which final approval was recorded in the office of the Gunnison County Clerk & Recorder on May 21, 2008, at Reception No. 584019; and

WHEREAS, the Board and Verzuh Ranch, Inc. entered into that certain Settlement Agreement on May 3, 2011 which satisfies certain conditions of the aforementioned approval and contemplates the reapproval of said land use change;

FINDINGS AND CONDITIONS:

1. The findings and conditions set forth in **RESOLUTION REAPPROVING THE FINAL PLAN OF LAND USE CHANGE APPLICATION NO. 2005-73 A LAND USE CHANGE PERMIT FOR VERZUH RANCH INC. FOR THE SHADY ISLAND SUBDIVISION**, except as modified or otherwise set forth in that certain Settlement Agreement between the Board and Verzuh Ranch, Inc., dated May 3, 2011 are incorporated herein.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of the County of Gunnison, Colorado, that the Final Plan for Land Use Change application No. 2005-73 is hereby reapproved; and

WHEREAS, THIS APPROVAL is affected noting that decision documentation includes, but is not limited to the application and the entire Planning Department Land Use Change Permit No: 2005-73 application file. This reapproval is founded on each individual finding and requirement, except as modified or otherwise set forth in that certain Settlement Agreement between Gunnison County and Verzuh Ranch, Inc. dated May 3, 2011. Should Verzuh Ranch, Inc. successfully challenge any such finding or requirement, this approval is null and void.

THIS RESOLUTION AND THE APPROVAL GRANTED HEREBY shall not be effective unless and until a copy is recorded in the Office of the Clerk and Recorder of Gunnison County, Colorado.

INTRODUCED by Commissioner _____, seconded by Commissioner _____, and passed on this ___ day of _____, 2011

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON, COLORADO

_____	_____	_____
Hap Channell,	Paula Swenson,	Phil Chamberland,
Chairperson	Vice Chairperson	Commissioner

ATTEST:

_____
Deputy County Clerk

Exhibit D

REAL ESTATE MORTGAGE

THIS INDENTURE, made and entered this 3rd day of May, 2011, between:

Verzuh Ranch, Inc., a Colorado corporation ("Mortgagor"), P.O. Box 836, Crested Butte, CO 81224,

and

The Board of County Commissioners of the County of Gunnison, Colorado ("Mortgagee"), 200 E. Virginia Avenue, Gunnison, CO 81230.

WITNESSETH, that whereas the Mortgagor has agreed to construct certain improvements pursuant to a Development Improvements Agreement dated May 3, 2011, by and between Mortgagor and Mortgagee, hereinafter referred to as the "Agreement";

AND WHEREAS, the Agreement provides for Mortgagor to secure performance of the covenants enumerated in said Agreement with a security acceptable to Gunnison County which in this instance shall be a mortgage on certain real property;

AND WHEREAS, the Mortgagor is desirous of securing the prompt payment of Mortgagor's obligations under the Agreement;

NOW, THEREFORE, the Mortgagor, in consideration of the Premises, and for the purposes aforesaid and in the further consideration of Mortgagee's approval of Resolution No. ____, Series 2011, A Resolution Reapproving the Final Plan of Land Use Change Application No. 2005-73, A Land Use Change Permit for Verzuh Ranch Inc. for the Shady Island Subdivision, the receipt and sufficiency of which are hereby acknowledged, has granted, bargained, sold and conveyed, and hereby does grant, bargain, sell and convey unto the Mortgagee, all the Premises situate in the County of Gunnison and State of Colorado, known and described as follows, to-wit:

Lots 3 and 2, Block 74, VERZUH RANCH ANNEXATION, according to the Final Plat recorded August 18, 2000 bearing Reception No. 504288 and in Affidavit of Correction to the Plat of The Verzuh Ranch Annexation recorded September 3, 2002 bearing Reception No. 523391, Town of Crested Butte, County of Gunnison, State of Colorado (herein the "Premises").

TO HAVE AND TO HOLD THE SAME, together with all and singular the tenements, hereditaments, privileges and appurtenances thereunto belonging or in anywise appertaining; and also all the estate, interest and claim whatsoever, in law as well as in equity, which the said Mortgagor has in and to the Premises hereby conveyed unto the Mortgagee, its representatives, successors and assigns, and to its only proper use, benefit and behoof, forever. And the said Mortgagor, for itself and its successors, assigns and representatives, hereby covenants that it is well and truly seized of good and indefeasible title to the Premises above described, in fee simple, that the title so conveyed is clear, free and unencumbered except for the lien of general taxes for the year 2011, U.S. Patent Reservations, Zoning Ordinance of the Town of Crested Butte, Notice of Ordinances recorded in Book 636 at Page 145, and easements, covenants, agreements and restrictions of record, and that the above bargained Premises in the quiet and peaceable possession of the Mortgagee, its representatives, successors and assigns, against all and every person or persons lawfully claiming the whole or any part thereof, it will forever Warrant and Defend.

THE SAID MORTGAGOR, for itself, its successors, representatives and assigns, agrees to timely pay all real estate taxes and assessments levied against said Premises and keep said Premises insured against loss or damage by fire for the fair market value thereof, with extended coverage in like amount in insurance companies approved by the Mortgagee. The said Mortgagor, for itself, its successors, representatives and assigns, further agrees to maintain the Premises in good repair and not commit waste thereon. The said Mortgagor, for itself, its successors, representatives and assigns, further agrees to keep the said Premises free of mechanics and other liens and to indemnify, defend and hold harmless the Mortgagee from and against any and all claims, damages, costs and expenses arising from Mortgagor's use of the Premises.

PROVIDED ALWAYS, that these presents are upon this expressed condition, that if the said Mortgagor, its successors assigns or representatives, shall cause to be completed all subdivision improvements in full and timely accordance with the Agreement, then and thenceforth these presents and everything herein contained shall cease and be void, otherwise to be and remain in full force and effect.

PROVIDED ALWAYS, this first priority real estate mortgage shall be the only mortgage lien or financial encumbrance with which Verzuh shall encumber the Lots identified herein.

AND IN CASE each and every obligation of Mortgagor pursuant to the Agreement is not fully and timely performed, Mortgagee shall have the full right and authority to foreclose on the Premises, and Mortgagor shall pay all costs and reasonable attorney's fees incurred as a result of said foreclosure.

AND IN CASE SUIT shall be brought for the foreclosure of this mortgage, the said Mortgagor, for itself, its successors, representatives and assigns, covenants and agrees that it will pay reasonable attorneys' fees and costs, which attorneys' fees and costs shall be entered and allowed as a part of the decree or judgment in such foreclosure proceedings.

IN WITNESS WHEREOF, the Mortgagor has hereunto set its hand and seal this 28 day of April, 2011.

Verzuh Ranch, Inc., a Colorado corporation

By: Billy Joe Lacy
Billy Joe Lacy, President

STATE OF COLORADO)
) ss.
COUNTY OF GUNNISON)

The foregoing Real Estate Mortgage was acknowledged before me this 28 day of ~~May~~ April, 2011 by Billy Joe Lacy as President of Verzuh Ranch, Inc., a Colorado corporation.

Witness my hand and official seal.

My commission expires: 03/29/14

ERIN CERISE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 03/29/2014

Erin Cerise
Notary Public

ACCEPTANCE

The Board of County Commissioners of the County of Gunnison, Colorado on this ___ day of May, 2011 hereby accepts the Real Estate Mortgage conveyed herein.

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON, COLORADO

By: _____
Hap Channell, Chairperson

Attest:

_____
Deputy County Clerk

Exhibit E

DEVELOPMENT IMPROVEMENTS AGREEMENT

THIS Development Improvements Agreement (herein the "Agreement") is entered into this 3rd day of May, 2011 between the Board of County Commissioners of the County of Gunnison, Colorado, whose address is 200 E. Virginia, Gunnison, Colorado 81230 (herein the "County") and Verzuh Ranch, Inc., a Colorado corporation, whose address is PO Box 836, Crested Butte, CO 81224 (herein the "Developer") as follows:

1. Purpose. The Developer has submitted to the County the Developer's application for Land Use Change Permit No: 2005 -73 regarding the subdivision of a 10.36 acre parcel into sixteen single family residential lots and a 4.74 acre common open space area known as Shady Island Subdivision (herein the "Project"). The Project is located within SW1/4NE1/4 and the NW1/4NE1/4, Section 24, Township 50 North, Range 1 West, N.M.P.M., on land owned by Developer described in Exhibit A hereto. As valuable and sufficient consideration for this Agreement, the County and the Developer agree that approval of such application by the County is expressly conditioned on completion of the improvements described in paragraph 7 below (herein the "Improvements") to the specifications described herein and by the times specified herein. The County and the Developer further agree that such Improvements are appropriate and necessary requirements to be required by the County, and to be performed by the Developer, and County where agreed, and which Developer shall perform as set forth below. The County and Developer further agree that an agreement guaranteeing the Developer's performance secured by suitable security to protect the interests of the County, and the public in the amount set forth herein is an appropriate condition to the County's approval of such Land Use Change Permit. The parties have entered into this Agreement to memorialize such understandings and agreements. The relationship of the parties to this Agreement is contractual; Developer is an independent contractor and is not an agent of the County.

2. Developer Bound. The Developer agrees to accept and be bound by the terms and conditions for the County's issuance of its reapproval of the Land Use Change Permit No: 2005-73 (the "Reapproval") and the terms and conditions of this Agreement. Developer accepts the County's review and permitting authority, process and performance of same in connection with Land Use Change No: 2005-73, as legal and valid and waives any defect therein.

3. Construction.

A. The Developer agrees to complete construction of the Improvements within the Project in the locations and in accordance with the specifications of the plans addressing the infrastructure improvements that are identified in paragraph 7 herein by no later than May 3, 2016, acts of God and any cause beyond the reasonable

control of the Developer excepted, including without limitation labor disputes, laws, regulations, or orders of any governmental entity, orders of court, inability to obtain any required authorization, act of war or conditions arising out of or attributable to war, riot, civil strike, insurrection or rebellion, fire, explosion, earthquake, storm, flood or other adverse weather condition, delay or failure by suppliers or materialmen, contractors, or subcontractors, shortage of or inability to obtain labor, supplies or materials.

B. In the event that Verzuh seeks, and obtains from the County, an extension of the Reapproval in accordance with Section 1-104(G) and (J) of the Gunnison County Land Use Resolution, then the time for completion of the contemplated development improvements shall be extended commensurately with the extension of the Reapproval. Otherwise, the completion deadline set forth in this paragraph 3 may be extended by the County in its sole discretion upon written request of Developer if the County determines that: (1) such extension of time will not operate to the detriment of the County, the public or the owners of property within the Project; and (2) the County's security is adequate to ensure full performance by Developer by the extended completion date; and (3) that such an extension would not be in conflict with the conditions of the approved Land Use Change Permit. The County may require Developer to provide, at Developer's cost, supplemental estimates by Developer's engineer of the costs of completion and to provide additional security as a prerequisite to its extension of any completion date. Any extended completion date granted by the County hereunder may be further extended in like manner.

C. Each contract entered into by Developer for construction of the Improvements shall provide that the County is a third party beneficiary with all rights to enforce such contracts in place of Developer in the event of a default by Developer. Developer shall provide to County a copy of each such contract upon its execution.

D. The county reserves the right not to permit construction of any building in the Project prior to full completion of the Improvements described in paragraph 7 below.

4. Estimated Cost. The total cost of the Improvements to be constructed by the Developer, including the work to be performed by the County, is estimated currently to be SEVEN HUNDRED TWENTY SIX THOUSAND NINE HUNDRED TWENTY TWO AND NO/U.S. DOLLARS ($726,922.00) plus a contingency amount.

5. Security. In order to secure all obligations of the Developer herein, the Developer and the County agree that the Developer shall, at Developer's sole cost, and before starting work on any phase of the Project or Improvements, and before conveying any portion of the Project, obtain and provide to the County either cash, a bond, an irrevocable letter of credit or other performance guarantee in a form and content satisfactory to the County to the

benefit of the County in the amount of at least NINE HUNDRED EIGHT THOUSAND SIX HUNDRED FIFTY TWO AND 50/100 U.S. DOLLARS ($908,652.50), which is 125 percent of the estimated cost of the Improvements set forth above, and which includes a reasonable contingency amount. In this instance, the security tendered shall be a first priority real estate mortgage on Lots 3 and 2, Block 74, of the Verzuh Ranch Annexation within the Town of Crested Butte, Colorado. The first priority real estate mortgage shall be the only mortgage lien or financial encumbrance with which Verzuh shall encumber the Lots. Developer shall have the right to substitute any other lot Developer owns within the Verzuh Ranch Annexation within the Town of Crested Butte, Colorado in place of Lot 3 and/or Lot 2, should a prospective purchaser contract for the purchase of either or both of those two lots specifically. The substituted lot or lots shall either (a) be of equal or greater value to the collateral being replaced and shall be held by a first priority real estate mortgage and shall be subject to the conditions above, or (b) in the event of a deficiency between value of the original collateral and the substituted collateral, such deficiency shall be made up by Developer in cash, bond, an irrevocable letter of credit or other performance guarantee in a form and content satisfactory to the County to the benefit of the County. If Developer substitutes a lot or lots, the County shall execute a release of the mortgage or request for release of the mortgage, whichever is appropriate and will accomplish the release of Lot 3, Lot 2, or any substitute lot or lots, as appropriate, from the real estate mortgage.

If the contract(s) provided to the County pursuant to paragraph 3C indicate a substantially different total cost than estimated in paragraph 4, the amount of security may be increased or decreased. For the purposes of this paragraph 5, substantial is defined as 10 percent or more.

Pending full performance of all of the terms and conditions hereof by the Developer, the County shall retain said security and shall remain the beneficiary of such security. In the event of any uncured default hereunder, the County in its sole discretion, and without any other authority required, shall have the unrestricted authority to sell the security or if said security has been replaced in a form of cash, bond or letter of credit, the County may draw up to the full amount of NINE HUNDRED EIGHT THOUSAND SIX HUNDRED FIFTY TWO AND 50/100 U.S. DOLLARS ($908,652.50), upon presentation by the County to the issuer of a written statement by the County that such uncured default exists. Upon timely performance of all terms and conditions hereof, said security shall be released by the County to the Developer, except as provided in paragraph 7C.

6. <u>Certification.</u>

A. Not later than May 3, 2016 or the deadline provided in any extension to this Agreement, a registered Colorado engineer retained by the Developer at it's expense shall certify to the County whether the Developer's construction obligations regarding Improvements under this agreement have been fully and faithfully performed according to design and time specifications. Upon receipt of such certification and a complete paper and an electronic copy of road and utility as built specifications and drawings, the County shall review the same and shall make an independent judgment whether to accept the same in the sole discretion of the County. Developer agrees not to cover or otherwise prevent inspection of the Improvements constructed hereunder until Developer's engineer and the County's representative have had reasonable opportunity to inspect such Improvements.

B. Not later than the later of five years from the date of this Agreement or the deadline provided in any extension to this Agreement, Developer shall provide to the County Attorney a sworn affidavit, signed by the Developer's authorized representative, that the Improvements completed have been paid for, in full, by the Developer. The Developer shall be responsible for the information so provided. Said written certification will be reviewed by the County, but the county shall have no responsibility or liability to any party regarding the veracity of the information so provided.

7. Scope of Work.

A. Except as provided in Paragraph 7.B below, the scope of work to be done by the Developer shall include, but not be limited to:

7.1 The plat titled, "Final Plat of Shady Island" prepared by Schmueser, Gordon, Meyer, Inc. dated March 25, 2008; and

7.2 The following plans addressing the infrastructure improvements:

a. *Demolition Plan*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.

b. *Utility Plan*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.

c. *Drainage and Grading Plan*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.

d. *Roadway Plan and Profile*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.

e. *Sanitary Sewer Plan and Profile*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.

f. *Site Plan*, dated May 16, 2007, prepared by Jim Sell Design

g. *Floodplain Study and Narrative*, dated May 18, 2007, prepared by Jim Sell Design

h. *Floodplain Study and Narrative*, dated March 31, 2008, prepared by Jim Sell Design

i. *Geotechnical Report*, dated February 21, 2007, prepared by Buckhorn Geotech

j. *Drainage Report*, dated May 16, 2007, prepared by Jim Sell Design

k. *Traffic Impact Analysis*, dated April 23, 2007, prepared by Matt Delich & Associates

l. *Water Treatment/Pump House Design and Water Line Layout*, prepared by Schmueser, Gordon, Meyer, Inc.

m. *Landscape Plan and Landscape Details*, dated March 14, 2008, prepared by Jim Sell Design and stamped by Jonathan Sweet, P.E.

n. *Protective Covenants of Shady Island*

o. *Wetlands Delineation*, dated July 18, 2006, prepared by Bio-Environs

p. *Preliminary Exterior Lighting Plan*, prepared by Jim Sell Design

q. *Bridge plans*, prepared by Contech Bridge Solutions Inc., stamped by Craig Thorstad, P.E. dated March 27, 2008; and

7.3 The cost estimate titled, "Infrastructure Cost Estimate – Shady Island Subdivision", prepared by Jim Sell Design and certified by Jonathan F. Sweet, dated March 24, 2008 identified in **Exhibit B** attached hereto and incorporated herein; and

7.4 The terms and conditions of the Reclamation Permit for Shady Island Subdivision and to the satisfaction and approval of the Gunnison County Weed Coordinator; and

7.5 Those conditions cited by the Planning Commission and approved by the Board of County Commissioners for Land Use Change Permit No: 2005-73.

B. Expressly excluded from the work to be performed by Developer and the improvements to be installed by Developer is all installation, construction, maintenance and operation of any sewer line, which is more fully and completely discussed in the Settlement Agreement between Developer and the County dated May 3, 2011, and the exhibits thereto (the "Settlement Agreement"). Notwithstanding any other provision of this Agreement, any work, improvements, and obligations to be performed or contemplated to be performed by the County pursuant to the Settlement Agreement, including any exhibits thereto, are expressly excepted from Developer's scope of work under this Agreement.

C. The conditions of this Agreement and Land Use Change Permit No: 2005-73 are such that if the obligations hereunder of the Developer are well, truly, faithfully and timely performed by Developer, inspected and certified to by the Developer's engineer, and such performance is accepted by the County in the County's sole discretion, the Developer's obligations to the County under this Agreement except as set forth in 7D below shall be at an end; otherwise such conditions and obligations shall remain in full force and effect.

D. For a period of one year from and after the acceptance of all of the work described in paragraph 7A above, Developer shall, at its own expense, make all needed repairs and replacements to such work as shall, in the County's reasonable opinion, become necessary. The County shall have the right to retain the Real Estate Mortgage or if said security has been replaced in a form of cash, bond or letter of credit, the County may retain up to ONE HUNDRED EIGHTY ONE

THOUSAND SEVEN HUNDRED THIRTY AND 50/100 U.S. DOLLARS ($181,730.50) of the security for up to one year following the acceptance of all of the work described in paragraph 7A above, as security to ensure such repair and replacement. The County shall have the right to retain the Real Estate Mortgage or if said security has been replaced in a form of cash, bond or letter of credit, the County may retain up to all of the Reclamation costs in the amount of SIXTY SEVEN THOUSAND NINE HUNDRED THIRTY FIVE AND NO/100 U.S. DOLLARS ($67,935.00) for a two year period after completion of initial reclamation efforts to ensure the disturbed areas have been reclaimed to the County's satisfaction.

8. Partial Release of Security.

A. The County recognizes that as work proceeds upon the Improvements, the County's need for security shall be reduced. Accordingly, the County may make a reasonable partial release of the security pursuant to paragraph 5 herein upon receipt of a written certification by Developer's engineer stating the estimated cost of remaining completion; upon receipt of such certification, the County shall review the same and shall make an independent judgment whether to accept the same in the sole discretion of the County. If the County does make a partial release, the County shall retain security equal to: (a) 125 percent of such estimated cost of remaining completion of Improvements plus 25 percent of the original estimated cost of the Improvements; and (b) all the estimated costs of all of the Reclamation; and shall release the balance of all security held by the County.

B. Upon Developer's entering into a contract or contracts for construction of Improvements hereunder, Developer and County may negotiate an addendum to this Agreement setting forth such reasonable schedule for partial releases of the security in accordance with the anticipated construction schedule. In such circumstance, the County shall designate and authorize the County Manager to make the partial release(s) hereunder after consultation with appropriate County staff.

9. Developer's Default. In the event of any default hereunder by the Developer, the County shall give notice to the Developer specifying the nature of such default, which notice shall be given by facsimile transmission or by certified mail with return receipt requested addressed to the Developer at: PO Box 836, Crested Butte, CO 81224. In the event the Developer does not remedy such default to the satisfaction of the County within 14 days following such notice, the County may elect, in its discretion to exercise all remedies available to it, including but not limited to:

A. To specifically enforce the terms and conditions of this Agreement;

B. To sell the security or if said security has been replaced in a form of cash, bond or letter of credit, the County may draw upon or otherwise obtain the benefit of the security;

C. To exercise any other rights and obtain any other remedies provided by law;

D. To obtain from the Developer either an extension of the County's security hereunder to guarantee the completion of the Improvements only on the conditions: (1) that suitable additional security is provided to the County to guarantee the construction of said Improvements within the new time period determined by the County; and (2) that the County determines that it would not be detrimental to the interest of the County, the public or the owners of property within the Project to allow such extension; and (3) that the County determines that it would not be in conflict with the conditions of the approved Land Use Change Permit.

10. Recording of Agreement. Upon its execution, this Agreement shall be recorded by the County, at the Developer's expense, and shall be a covenant running with the property herein described in order to put prospective purchasers or other interested parties on notice as to the terms and provisions hereof.

11. Retention of Police Powers. The County retains the power and right to impose additional requirements upon Developer with regard to the Project if the failure to do so would place the public or owners of property within the Project in a perilous condition, or in the event of substantially changed conditions; that is, nothing in this Agreement is or shall be construed to be a bargaining away of the County's police power.

12. Transfer or Assignment. No transfer or assignment of any of the rights or obligations of the Developer under this Agreement shall be permitted without prior written approval of the County which approval shall not unreasonably be withheld.

13. Title and Authority. The Developer expressly warrants and represents to the County that it is the record owner of the real property constituting the Project, and further represents and warrants, together with the undersigned individual, that the undersigned individual has full power and authority to enter into this Agreement. The Developer and the undersigned individual understand that the County is relying on such representations and warranties in entering into this Agreement.

14. Litigation. Nothing contained herein shall prevent either party from obtaining a judicial determination of the violation of its rights hereunder; provided however, that written notice to the other party advising the other party of the alleged violation, and advising that in the event the matter is not resolved by the parties within 14 days thereafter, shall be a condition precedent to the commencement of any litigation.

15. Time of Essence. It is mutually agreed that time of performance is an essential part of this Agreement and that all terms, covenants and conditions herein shall extend to and become obligatory upon the successors and assigns of the respective parties hereto.

16. Venue and Choice of Law. This Agreement is entered into in Gunnison County, Colorado and it is agreed that the exclusive jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Agreement shall be in the District Court of Gunnison County, Colorado. The exclusive choice of law pertaining to this transaction shall be that of the State of Colorado without giving effect to Colorado choice of law principles.

17. Severability. If any term or provision of this Agreement shall be invalid or unenforceable, the remainder of this Agreement and the terms and provisions thereof shall not be affected thereby and all other terms and provisions of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

18. Attorney's Fees. If any action is brought in a court of law by either party to this Agreement as to the enforcement, interpretation or construction of this Agreement or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorney's fees as well as all costs incurred in the prosecution or defense of such action.

19. Hold Harmless Clause. The Developer shall indemnify, defend and hold harmless the County, its officials, employees and agents from and against liability for damages, injury or death which may arise from the direct or indirect operations of the owner, Developer, contractors or subcontractors, which relate to the Project.

20. Entire Agreement. This Agreement contains the entire and only Agreement between the parties regarding development improvements, and no oral statements or representations not contained in this Agreement shall be of any force and effect between the parties. This Agreement shall not be modified or amended in any manner except by written instrument executed by the parties.

21. Binding Agreement. This Agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.

22. Notice. All notices and other communications required or permitted under this Agreement shall be in writing and shall be, as determined by the person giving such notice, either hand delivered, mailed by registered or certified mail, return receipt requested or by facsimile or telegraphic communication to the required party at the following addresses:

County:	Board of County Commissioners of the County of Gunnison, Colorado c/o County Attorney 200 East Virginia Gunnison, CO 81230 Fax No: 970-641-7696
Developer:	Billy Joe Lacy Verzuh Ranch, Inc. PO Box 836 Crested Butte, CO 81224 Fax No: 970-349-5020

IN WITNESS WHEREOF the parties have executed this Agreement the date first above written:

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON,
COLORADO

By:_____
Hap Channell, Chairperson

ATTEST:

_____
Deputy County Clerk

VERZUH RANCH, Inc.,
a Colorado corporation

By: Billy Joe Lacy
Billy Joe Lacy, its President

STATE OF COLORADO)
)ss.
County of Gunnison)

The foregoing instrument was acknowledged before me this 28 day of ~~May~~ April, 2011, by Billy Joe Lacy, President of Verzuh Ranch, Inc., a Colorado corporation, Developer herein.

Witness my hand and seal.
My commission expires: 03/29/14.

ERIN CERISE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 03/29/2014

Erin Cerise
Notary Public
Address:

EXHIBIT A TO DEVELOPMENT IMPROVEMENTS AGREEMENT

A tract of land located in the NE1/4 of Section 24, Township 50 North, Range 1 West of the New Mexico Principal Meridian, Gunnison County, Colorado, being more particularly described as follows:

Beginning at a point on the easterly right-of-way line of State Highway 135 and the northerly line of a parcel of land described at Reception No. 533910, Gunnison county records, from which the brass cap witness corner for the East ¼ Corner of said Section 24 bears 375°16'05"E, 2665.65 feet; thence along the northerly line of said Parcel described at Reception No.533910 the following four (4) courses:

1) N88°26'00" E, 116.45 feet;
2) N85°07'51"E, 142.91 feet;
3) S00°11'00" W, 65.53 feet

thence S83°49'00"E, 290.58 feet to a point on the diagonal line between the northeast and southeast corners of the SW ¼, NE ¼, of said Section 24, said point being also on the westerly line of the Glen as recorded at Reception No. 558 465, Gunnison County records; thence along said diagonal line and said westerly line of the Glen N45°01'50"E, approximately 595 feet to the southeasterly most corner of Lot 7 and southerly most corner of Lot 8, Cline's Home Sites, as recorded at Reception No. 256413, Gunnison County records, said point being in the Gunnison River; thence along the southerly line of Lots 7, 6, 5 and 4 of said Cline's Home Sites, the following four (4) coordinate courses, said southerly line being in a channel of the Gunnison River.

1) S67°25'21" W, 147.58 feet
2) N82°15'05"W, 150.83 feet
3) N77°25'17"W, 142.29 feet
4) N65°45'27"W, 140.47 feet;

thence along the westerly line of said Lot 4, Cline's Home sites N02°10'00"W, 117.90 feet to the southeast corner of a parcel of land described in a document recorded at Reception No. 520174; thence along said Parcel S84°34'00"W, 157.20 feet; thence N02°18'00"W, approximately 106.91 feet to a point in the center of Clark Creek, said point being also on the southerly line of a parcel of land described at Reception No. 558930, Gunnison County records; thence along the centerline of said Clark Creek and said southerly line the following five (5) courses:

1) S43°58'30"W, 33.42 feet
2) S54°48'49"W, 107.23 feet
3) N52°46'45"W, 65.29 feet
4) N77°45'06"W, 125.99 feet to a point on the easterly right-of-way line of said State Highway 135; thence along said easterly right-of-way line the following four (4) courses:

1) S01°58'27"W, 145.45 feet
2) S01°45'53"E, 76.89 feet
3) S01°10'15"W, 156.65 feet
4) S00°22'32"W, 304.41 feet to the Point of Beginning, said Tract containing 10.55 acres, more or less.

in Gunnison County, Colorado.

INFRASTRUCTURE COST ESTIMATE

Shady Island
Subdivision

3/24/2008

Prepared for:
BILL LACY
Lacy Construction
PO Box 836
24474 Highway 135
Crested Butte, CO 81224
FAX 970.349.5020
970.349.5010

Prepared by:

JIM SELL DESIGN
153 West Mountain Avenue
Fort Collins, Colorado 80524
FAX 970.484.2443
970.484.1921

ROAD CONSTRUCTION

EXHIBIT "B"

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
Fill material	CY	$2.96	$1.09	$3.95	522.00	$4,176.00
3" Asphalt	SY	$9.55	$2.02	$1.89	2,318.00	$31,200.28
6" Base material	SY	$3.03	$1.33	$1.97	2,318.00	$14,672.94
19"X30" HERCP, in place	LF	$20.00	$10.00		89.00	$2,670.00
18" ADS, in place	LF	$15.90	$11.20	$2.70	176.00	$5,244.80
12" RCP, in place	LF	$13.00	$11.20	$2.70	300.00	$8,070.00
Street name signs	EA	$250.00	$46.70		2.00	$593.40
Stop signs	EA	$250.00	$46.70		2.00	$593.40
Bridge (40' span Truss)	LS	$80,000.00	$3,000.00	$7,000.00	1.00	$90,000.00
Abutments, Wingwalls & Footings	CY	$150.00	$325.00	$25.00	112.00	$56,000.00
					Sub-total	$213,220.82

Asphalt and base quantities are approximate until final geotechnical recommendation.

SEWAGE COLLECTION SYSTEM

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
8" PVC, in place	LF	$20.00	$10.00		1273	$38,190.00
4" PVC, in place	EA	$570.00	$280.00		16	$13,600.00
4' dia. Manholes, 8' in ave. depth	EA	$1,240.00	$944.00	$301.00	6	$14,910.00
					Sub-total	$66,700.00

WATER SYSTEM

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
Wells						
Well Pump Assembly	LS	$1,200.00	$400.00	$400.00	2	$4,000.00
Raw Water Supply Piping	LF	$8.60	$6.40		440	$6,600.00
Water Treatment Plant						
Building	SF	$110.00	$23.00	$13.00	192	$28,032.00
Treatment Process	LS	$151,408.00	$19,601.00	$3,970.00	1	$174,979.00
Bag Filtration	LS	$12,500.00	$1,500.00	$1,000.00	1	$15,000.00
Hydrant and Cistern	LS	$10,900.00	$1,100.00		1	$12,000.00
Water Distribution						
Water Main	LF	$16.20	$6.40	$2.30	1187	$29,556.30
Water Service	EA	$200.00	$300.00		16	$8,000.00
Yard Hydrant	LS	$1,250.00	$250.00		2	$3,000.00
					Sub-total	$281,167.30

EROSION CONTROL

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
Silt Fence	LF	$0.50	$0.82		3058	$4,036.56
Erosion Control Blanket	SY	$4.36	$0.75		614	$3,137.54
Vehicle Tracking Pad	SY	$4.92	$1.33	$1.97	125	$1,027.50
					Sub-total	$8,201.60

NATURAL GAS

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
Excavation and backfill	LF		$3.47	$1.36	1470	$7,100.10

Install gas main system (Atmos Energy)	LS	$5,000.00	$5,000.00		1	$10,000.00
					Sub-total	$17,100.10

ELECTRICAL DISTRIBUTION SYSTEM

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
Excavation and backfill	LF		$3.47	$1.36	1470	$7,100.10
Gunnison County Rural Electric Association	LS	$5,000.00	$5,000.00		1	$10,000.00
					Sub-total	$17,100.10

LANDSCAPING & RECLAMATION

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
Entry feature	LS	$1,000.00	$1,500.00	$500.00	2	$6,000.00
6' wide crusher fines pedestrian trail	LF	$5.00	$5.00	$5.00	766	$11,490.00
5' Worm Fence	LF	$3.00	$4.00	$1.00	586	$4,688.00
2.5" Cal Deciduous Tree	EA	$350.00	$150.00		28	$14,000.00
1.5" Cal Ornamental Tree	EA	$250.00	$150.00		8	$3,200.00
6' Evergreen Tree	EA	$350.00	$150.00		8	$4,000.00
5 Gal Cont Shrub	EA	$25.00	$10.00		62	$2,170.00
5'x3'x18" Boulders	EA	$100.00	$50.00	$50.00	26	$5,200.00
Seeding & mulching of disturbed areas	ACRE	$1,300.00	$1,100.00	$600.00	1.2	$3,600.00
					Sub-total	$54,348.00

TELEPHONE

Item	Units	Materials	Labor	Equipment	# of Units	Total Cost
Telephone - materials and installation	LS	$1,500.00	$1,500.00		1	$3,000.00
					Sub-total	$3,000.00

Total Construction Costs	**$**	**660,838**
Engineering and Project Management Costs	**$**	**66,083.79**
Total Project Cost Estimate =	**$**	**726,922**

This is an Engineer's Opinion of Probable Cost and is supplied only as a guide. It is recognized that Jim Sell Design does not have control over the costs of labor, equipment or materials. This opinion is based on Jim Sell Design's reasonable professional judgment and experience and does not constitute a warranty of project costs.

COLORADO LICENSED
JONATHAN F. SWEET
40341
7/31/08
PROFESSIONAL ENGINEER

Exhibit F

GRANT OF TEMPORARY CONSTRUCTION EASEMENT FOR SEWER LINE

THIS GRANT OF TEMPORARY CONSTRUCTION EASEMENT FOR SEWER LINE (this "Grant of Easement") is made this 3rd day of May, 2011, between Verzuh Ranch, Inc., a Colorado corporation whose address is PO Box 187, Crested Butte, Colorado 81224 (herein "Grantor") and the Board of County Commissioners of the County of Gunnison, Colorado whose address is 200 East Virginia, Gunnison, Colorado 81230, (herein "Grantee").

1. Conveyance. Grantor, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby quitclaim to Grantee and its successors and assigns, a temporary construction easement in and across the real property identified in **Exhibit A** hereto and incorporated herein (herein the "Real Property") for the purposes set forth in paragraph 2 below. The temporary construction easement shall be fifty feet wide (50'), in the location specifically identified in **Exhibit B** hereto and incorporated herein, which locations are approximately depicted on the drawing attached hereto as **Exhibit C** and incorporated herein (as shown on Exhibit B and Exhibit C, the "Easement Area").

2. Specific Construction, Installation and Maintenance Required. There shall be a manhole located at the intersection of the NS Sewer Line and the EW Sewer Line, and there shall be additional manholes along the NS Sewer Line and the EW Sewer Line at least four hundred feet from one another, or the maximum spacing allowed by law, whichever is greater. Finally, the sewer line shall include "full bodied y-type" connectors for the benefit of the lots to be located within the Real Property. Grantee agrees to perform the construction and installation set forth in this paragraph, and agrees to maintain the same.

3. Scope of Easement. The Easement Area shall be used by Grantee only for purposes of installation and construction of an underground sewer line system including sewer lines and manholes, which purposes include but are not limited to (i) the right to ingress to and egress from the easement for purposes of installation and construction of an underground sewer line system including sewer lines and manholes in the Easement Area, (ii) the right excavate, grade, condition and drain the Easement Area as reasonably necessary to install and construct an underground sewer line system including sewer lines and manholes in the Easement Area, (iii) the right to operate and maintain motor vehicles and construction vehicles on the Easement Area as reasonably necessary to install and construct an underground sewer line system including sewer lines and manholes in the Easement Area, and (iv) to remove all obstructions from the Easement Area which may constitute a hindrance to installing and constructing an underground sewer line system including sewer lines and manholes in the Easement Area.

4. Expiration of Easement. The temporary construction easement granted herein shall terminate, without further act or recordation, upon the earlier of (i) completion of the installation and construction of the underground sewer line system within the Easement Area or (ii) one year from the date of this Grant of Easement.

5. Nonexclusive Easement. The easement granted by this Grant of Easement is a nonexclusive easement, and Grantor specifically reserves and retains the right to use the Easement Area for any purpose that is consistent with the grant contained in this Grant of Easement.

6. Restoration. The Grantee shall restore the surface to its original contour as nearly as practicable, and will reasonably replace or rebuild any and all damaged parts of all drainage or irrigation systems, shrubbery, fences, signs and pavement; the damage to which is occasioned by the installation or construction of said sewer line under and through the Easement Area; however, the Grantee shall have the right to cut or clear trees and brush on said Easement Area that might interfere with those activities. Using seed suggested by the local Natural Resources Conservation Service, Grantee shall reseed all areas within the Easement Area that are currently covered with vegetation that is disturbed during any installation or construction of the underground sewer line system. Any such restoration shall be accomplished as soon as practical after completion of the installation and construction of the underground sewer line system necessitating such restoration.

7. Costs of Sewer Lines. Grantee shall bear the full cost of constructing, installing, operating, maintaining, and repairing the NS Sewer Line and the EW Sewer Line. Grantor shall have no obligation to pay for any cost associated with the NW Sewer Line or the EW Sewer Line, including but not limited to any and all costs arising out of or related to the construction, installation, operation, maintenance, or repair of the NW Sewer Line or the EW Sewer Line.

8. No Third Party Beneficiaries. This Grant of Easement is not intended to confer, and does not confer, upon any person other than Grantor and Grantee any rights, titles, interests or remedies.

9. Attorneys' Fees. If any action is brought in a court of law by either party to this Grant of Easement as to the enforcement, interpretation or construction of this Grant of Easement, the prevailing party in such action shall be awarded reasonable attorneys' fees as well as all costs incurred in the prosecution or defense of such action.

Executed on the date set forth above.

[THE SIGNATURES OF THE PARTIES APPEAR ON THE FOLLOWING PAGES]

GRANTOR:

Verzuh Ranch, Inc.,
a Colorado corporation

By: Billy Joe Lacy
Billy Joe Lacy, President

STATE OF COLORADO)
)ss
COUNTY OF GUNNISON)

The foregoing was signed and acknowledged before me this 28 day of April, 2011, by Billy Joe Lacy as President of Verzuh Ranch, Inc., a Colorado corporation.

Witness my hand and official seal.
My commission expires: 03/29/14

ERIN CERISE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 03/29/2014

Erin Cerise
Notary Public

ACCEPTANCE

The Board of County Commissioners of the County of Gunnison, Colorado, hereby accepts the above Grant of Perpetual Nonexclusive Easement for Sewer Line.

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON, COLORADO

By:_____
Hap Channell, Chairperson

By:_____
Paula Swenson, Vice Chairperson

By:_____
Phil Chamberland, Commissioner

ATTEST:

_____
Deputy County Clerk

EXHIBIT A
TO
GRANT OF TEMPORARY CONSTRUCTION EASEMENT FOR SEWER LINE

A tract of land located in the NE1/4 of Section 24, Township 50 North, Range 1 West of the New Mexico Principal Meridian, Gunnison County, Colorado, being more particularly described as follows:

Beginning at a point on the easterly right-of-way line of State Highway 135 and the northerly line of a parcel of land described at Reception No. 533910, Gunnison county records, from which the brass cap witness corner for the East ¼ Corner of said Section 24 bears 375°16'05"E, 2665.65 feet; thence along the northerly line of said Parcel described at Reception No.533910 the following four (4) courses:

1) N88°26'00" E, 116.45 feet;
2) N85°07'51"E, 142.91 feet;
3) S00°11'00" W, 65.53 feet

thence S83°49'00"E, 290.58 feet to a point on the diagonal line between the northeast and southeast corners of the SW ¼, NE ¼, of said Section 24, said point being also on the westerly line of the Glen as recorded at Reception No. 558 465, Gunnison County records; thence along said diagonal line and said westerly line of the Glen N45°01'50"E, approximately 595 feet to the southeasterly most corner of Lot 7 and southerly most corner of Lot 8, Cline's Home Sites, as recorded at Reception No. 256413, Gunnison County records, said point being in the Gunnison River; thence along the southerly line of Lots 7, 6, 5 and 4 of said Cline's Home Sites, the following four (4) coordinate courses, said southerly line being in a channel of the Gunnison River.

1) S67°25'21" W, 147.58 feet
2) N82°15'05"W, 150.83 feet
3) N77°25'17"W, 142.29 feet
4) N65°45'27"W, 140.47 feet;

thence along the westerly line of said Lot 4, Cline's Home sites N02°10'00"W, 117.90 feet to the southeast corner of a parcel of land described in a document recorded at Reception No. 520174; thence along said Parcel S84°34'00"W, 157.20 feet; thence N02°18'00"W, approximately 106.91 feet to a point in the center of Clark Creek, said point being also on the southerly line of a parcel of land described at Reception No. 558930, Gunnison County records; thence along the centerline of said Clark Creek and said southerly line the following five (5) courses:

1) S43°58'30"W, 33.42 feet
2) S54°48'49"W, 107.23 feet
3) N52°46'45"W, 65.29 feet
4) N77°45'06"W, 125.99 feet to a point on the easterly right-of-way line of said State Highway 135; thence along said easterly right-of-way line the following four (4) courses:

1) S01°58'27"W, 145.45 feet
2) S01°45'53"E, 76.89 feet
3) S01°10'15"W, 156.65 feet
4) S00°22'32"W, 304.41 feet to the Point of Beginning, said Tract containing 10.55 acres, more or less.

in Gunnison County, Colorado.

EXHIBIT B
TO
GRANT OF TEMPORARY CONSTRUCTION EASEMENT FOR SEWER LINE

The first underground sewer line shall commence at the manhole known as "MH 3-14" and proceed in a northerly direction along a line located ten feet east of the western boundary of the Property to a point located ten feet north of the sewer line's intersection with Mystery Lane (the "NS Sewer Line"). The easement area for the NS Sewer Line shall consist of the westernmost fifty feet of the Property from MH 3-14 to the point located ten feet north of the NS Sewer Line's intersection with Mystery Lane. The second underground sewer line shall extend from the point ten feet north of the NS Sewer Line's intersection with Mystery Lane in an easterly direction along a line located ten feet north of the southern boundary of Mystery Lane until such line reaches the eastern boundary of the Real Property (the "EW Sewer Line"). The easement area for the EW Sewer Line shall consist of the southernmost fifty feet of Mystery Lane from the point ten feet north of the NS Sewer Line's intersection with Mystery Lane to the EW Sewer Line's intersection with the eastern boundary of the Real Property.

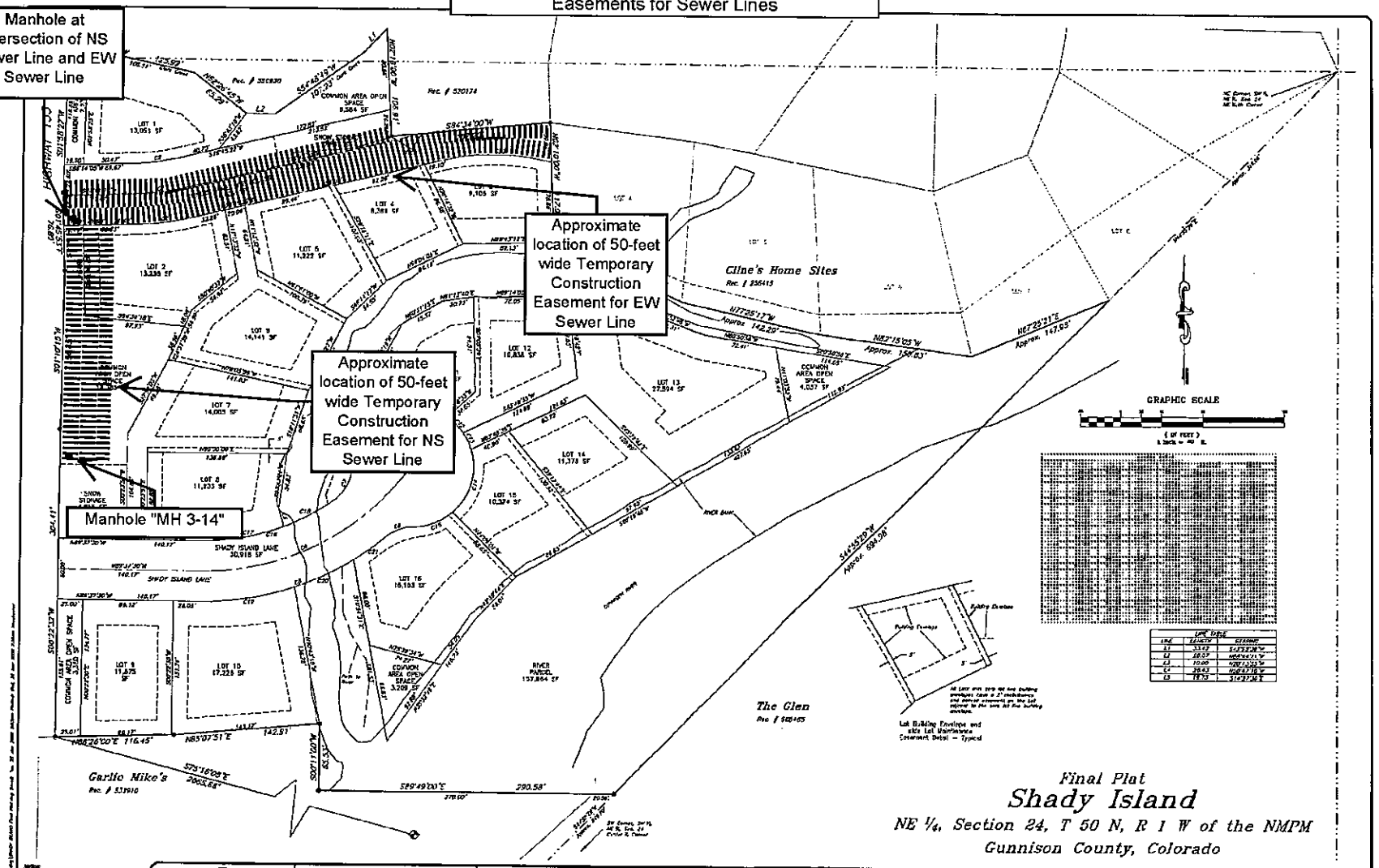
Approximate Location of Temporary Construction Easements for Sewer Lines

Manhole at intersection of NS Sewer Line and EW Sewer Line

Approximate location of 50-feet wide Temporary Construction Easement for EW Sewer Line

Approximate location of 50-feet wide Temporary Construction Easement for NS Sewer Line

Manhole "MH 3-14"



SCHMUESER GORDON MEYER
116 W. 6th Street, Suite 200
Glenwood Springs, Colorado 81601
(970) 945-1004 FAX (970) 945-5948
Aspen, Colorado (970) 925-6727
Crested Butte, CO (970) 349-5355

SHADY ISLAND
Gunnison County, Colorado

Final Plat

Job No. 2007-200.001
Drawn by KN
Date: 3/25/08
Approved:
File: 2007 SIMS FINAL PLAT

2 of 2

Exhibit G

GRANT OF PERPETUAL NONEXCLUSIVE EASEMENT FOR SEWER LINE

THIS GRANT OF PERPETUAL NONEXCLUSIVE EASEMENT FOR SEWER LINE (this "Grant of Easement") is made this 3rd day of May, 2011, between Verzuh Ranch, Inc., a Colorado corporation whose address is PO Box 187, Crested Butte, Colorado 81224 (herein "Grantor") and the Board of County Commissioners of the County of Gunnison, Colorado whose address is 200 East Virginia, Gunnison, Colorado 81230, (herein "Grantee").

1. Conveyance. Grantor, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby quitclaim to Grantee and its successors and assigns, a perpetual nonexclusive easement in and across the real property identified in **Exhibit A** hereto and incorporated herein (herein the "Real Property") for the purposes set forth in paragraph 2 below. The perpetual easement shall be twenty feet wide (20'), in the location specifically identified in **Exhibit B** hereto and incorporated herein, which locations are approximately depicted on the drawing attached hereto as **Exhibit** C and incorporated herein (as shown on Exhibit B and Exhibit C, the "Easement Area").

2. Specific Construction, Installation and Maintenance Required. There shall be a manhole located at the intersection of the NS Sewer Line and the EW Sewer Line, and there shall be additional manholes along the NS Sewer Line and the EW Sewer Line at least four hundred feet from one another, or the maximum spacing allowed by law, whichever is greater. Finally, the sewer line shall include "full bodied y-type" connectors for the benefit of the lots to be located within the Real Property. Grantee agrees to perform the construction and installation set forth in this paragraph, and agrees to maintain the same.

3. Scope of Easement. The Easement Area shall be used by Grantee only for purposes of use and maintenance of an underground sewer line system including sewer lines and manholes, which purposes include but are not limited to (i) the right to ingress to and egress from the easement for purposes of use and maintenance of an underground sewer line system including sewer lines and manholes in the Easement Area, (ii) the right excavate, grade, condition and drain the Easement Area as reasonably necessary to use and maintain an underground sewer line system including sewer lines and manholes in the Easement Area, (iii) the right to operate and maintain motor vehicles and construction vehicles on the Easement Area as reasonably necessary to use and maintain an underground sewer line system including sewer lines and manholes in the Easement Area, and (iv) to remove all obstructions from the Easement Area which may constitute a hindrance to using and maintaining an underground sewer line system including sewer lines and manholes in the Easement Area.

4. Nonexclusive Easement. The easement granted by this Grant of Easement is a nonexclusive easement, and Grantor specifically reserves and retains the right to use the Easement Area for any purpose that is consistent with the grant contained in this Grant of Easement.

5. Restoration. The Grantee shall restore the surface to its original contour as nearly as practicable, and will reasonably replace or rebuild any and all damaged parts of all drainage or irrigation systems, shrubbery, fences, signs and pavement; the damage to which is occasioned by the use or maintenance of said sewer line under and through the Easement Area; however, the Grantee shall have the right to cut or clear trees and brush on said Easement Area that might interfere with those activities. Using seed suggested by the local Natural Resources Conservation Service, Grantee shall reseed all areas within the Easement Area that are currently covered with vegetation that is disturbed during any use or maintenance of the underground sewer line system. Any such restoration shall be accomplished as soon as practical after completion of the use or maintenance of the underground sewer line system necessitating such restoration.

6. Costs of Sewer Lines. Grantee shall bear the full cost of constructing, installing, operating, maintaining, and repairing the NS Sewer Line and the EW Sewer Line. Grantor shall have no obligation to pay for any cost associated with the NW Sewer Line or the EW Sewer Line, including but not limited to any and all costs arising out of or related to the construction, installation, operation, maintenance, or repair of the NW Sewer Line or the EW Sewer Line.

7. No Third Party Beneficiaries. This Grant of Easement is not intended to confer, and does not confer, upon any person other than Grantor and Grantee any rights, titles, interests or remedies.

8. Attorneys' Fees. If any action is brought in a court of law by either party to this Grant of Easement as to the enforcement, interpretation or construction of this Grant of Easement, the prevailing party in such action shall be awarded reasonable attorneys' fees as well as all costs incurred in the prosecution or defense of such action.

Executed on the date set forth above.

[THE SIGNATURES OF THE PARTIES APPEAR ON THE FOLLOWING PAGES]

GRANTOR:

Verzuh Ranch, Inc.,
a Colorado corporation

By: Billy Joe Lacy
Billy Joe Lacy, President

STATE OF COLORADO)
)ss
COUNTY OF GUNNISON)

The foregoing was signed and acknowledged before me this 28 day of April, 2011, by Billy Joe Lacy as President of Verzuh Ranch, Inc., a Colorado corporation.

Witness my hand and official seal.
My commission expires: 03/29/14

Erin Cerise
Notary Public

ERIN CERISE
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 03/29/2014

ACCEPTANCE

The Board of County Commissioners of the County of Gunnison, Colorado, hereby accepts the above Grant of Perpetual Nonexclusive Easement for Sewer Line and agrees to its terms, conditions and obligations.

BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF GUNNISON, COLORADO

By:_____
Hap Channell, Chairperson

By:_____
Paula Swenson, Vice Chairperson

By:_____
Phil Chamberland, Commissioner

ATTEST:

_____
Deputy County Clerk

EXHIBIT A
TO
GRANT OF PERPETUAL NONEXCLUSIVE EASEMENT FOR SEWER LINE

A tract of land located in the NE1/4 of Section 24, Township 50 North, Range 1 West of the New Mexico Principal Meridian, Gunnison County, Colorado, being more particularly described as follows:

Beginning at a point on the easterly right-of-way line of State Highway 135 and the northerly line of a parcel of land described at Reception No. 533910, Gunnison county records, from which the brass cap witness corner for the East ¼ Corner of said Section 24 bears 375°16'05"E, 2665.65 feet; thence along the northerly line of said Parcel described at Reception No.533910 the following four (4) courses:

1) N88°26'00" E, 116.45 feet;
2) N85°07'51"E, 142.91 feet;
3) S00°11'00" W, 65.53 feet

thence S83°49'00"E, 290.58 feet to a point on the diagonal line between the northeast and southeast corners of the SW ¼, NE ¼, of said Section 24, said point being also on the westerly line of the Glen as recorded at Reception No. 558 465, Gunnison County records; thence along said diagonal line and said westerly line of the Glen N45°01'50"E, approximately 595 feet to the southeasterly most corner of Lot 7 and southerly most corner of Lot 8, Cline's Home Sites, as recorded at Reception No. 256413, Gunnison County records, said point being in the Gunnison River; thence along the southerly line of Lots 7, 6, 5 and 4 of said Cline's Home Sites, the following four (4) coordinate courses, said southerly line being in a channel of the Gunnison River.

1) S67°25'21" W, 147.58 feet
2) N82°15'05"W, 150.83 feet
3) N77°25'17"W, 142.29 feet
4) N65°45'27"W, 140.47 feet;

thence along the westerly line of said Lot 4, Cline's Home sites N02°10'00"W, 117.90 feet to the southeast corner of a parcel of land described in a document recorded at Reception No. 520174; thence along said Parcel S84°34'00"W, 157.20 feet; thence N02°18'00"W, approximately 106.91 feet to a point in the center of Clark Creek, said point being also on the southerly line of a parcel of land described at Reception No. 558930, Gunnison County records; thence along the centerline of said Clark Creek and said southerly line the following five (5) courses:

1) S43°58'30"W, 33.42 feet
2) S54°48'49"W, 107.23 feet
3) N52°46'45"W, 65.29 feet
4) N77°45'06"W, 125.99 feet to a point on the easterly right-of-way line of said State Highway 135; thence along said easterly right-of-way line the following four (4) courses:

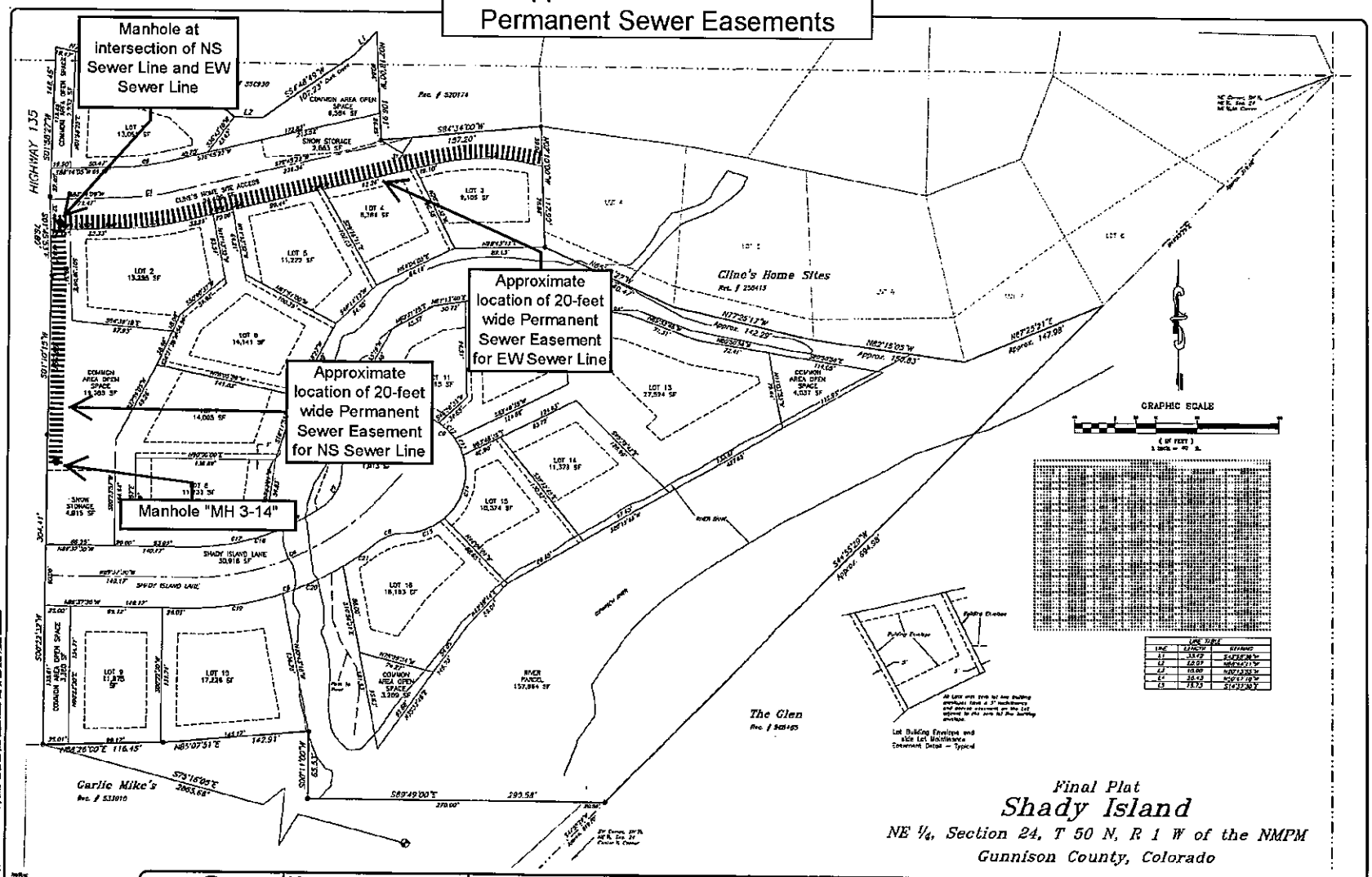
1) S01°58'27"W, 145.45 feet
2) S01°45'53"E, 76.89 feet
3) S01°10'15"W, 156.65 feet
4) S00°22'32"W, 304.41 feet to the Point of Beginning, said Tract containing 10.55 acres, more or less.

in Gunnison County, Colorado.

EXHIBIT B
TO
GRANT OF PERPETUAL NONEXCLUSIVE EASEMENT FOR SEWER LINE

The first underground sewer line shall commence at the manhole known as "MH 3-14" and proceed in a northerly direction along a line located ten feet east of the western boundary of the Property to a point located ten feet north of the sewer line's intersection with Mystery Lane (the "NS Sewer Line"). The easement area for the NS Sewer Line shall consist of the westernmost twenty feet of the Real Property from MH 3-14 to the point located ten feet north of the NS Sewer Line's intersection with Mystery Lane. The second underground sewer line shall extend from the point ten feet north of the NS Sewer Line's intersection with Mystery Lane in an easterly direction along a line located ten feet north of the southern boundary of Mystery Lane until such line reaches the eastern boundary of the Property (the "EW Sewer Line"). The easement area for the EW Sewer Line shall consist of the southernmost twenty feet of Mystery Lane from the point ten feet north of the NS Sewer Line's intersection with Mystery Lane to the EW Sewer Line's intersection with the eastern boundary of the Real Property.

Approximate Location of Permanent Sewer Easements



SCHMUESER GORDON MEYER
ENGINEERS SURVEYORS

SCHMUESER GORDON MEYER
118 W. 6TH STREET, SUITE 200
GLENWOOD SPRINGS, COLORADO 81601
(970) 945-1004 FAX (970) 945-5945
ASPEN, COLORADO (970) 925-8727
CRESTED BUTTE, CO (970) 349-5355

SHADY ISLAND
Gunnison County, Colorado

REVISION DATE	REVISION	DATE	BY

Final Plat

Job No.	2007-200.003
Drawn by	KN
Date	3/25/08
Approved	

2 OF 2

Assessor Quick Links

Gunnison Assessor Home

Find Property Records

Gunnison County COLORADO

Assessor Property Record Search

Property Record Card (PRC)

Owner and Parcel Information

Owner Name & Mailing Address	
VERZUH RANCH INC PO BOX 836 CRESTED BUTTE, CO 81224-0836	
Business Name:	NA

Today's Date:	June 16, 2016
Appraisal Year:	2015

Account Number:	R041108
Parcel Number:	3255-022-80-004
Account Type:	Vacant
Economic Area:	Econ Area 2
Tax District:	200
Mill Levy:	67.759

Property Location:	BELLEVIEW AVE, CRESTED BUTTE
Neighborhood:	SOUTHEAST QUARTER: VERZUH
LEA:	CRESTED BUTTE RESIDENTIAL (20001)
Subdivision:	VERZUH RANCH ANNEXATION
Condo:	
Legal Description:	TRACT 4 BLK 74 VERZUH RANCH ANNEXATION #504288
Parcel Notes	TOTAL PARCEL = 11,250SF

Parcel Map	Show Parcel Map
Building Photos	NA
Building Sketches	NA

Generate Neighboring Owner List by Distance

Search Sales By Subdivision

2016 Assessment Information

Land Actual Value	Land Assessed Value	Building Actual Value	Building Assessed Value	Total Actual Value	Total Assessed Value
$551,280	$159,870			$551,280	$159,870

Prior Year Assessment Information

Year	Actual Value	Assessed Value	Mill Levy	Ad Valorem Taxes
2015	$551,280	$159,870	65.458	$10,464.77
2014	$703,130	$203,910	67.759	$13,816.75
2013	$703,130	$203,910	60.601	$12,357.14
2012	$455,630	$132,130	53.944	$7,127.65
2011	$455,630	$132,130	55.019	$7,269.66
2010	$753,750	$218,590	48.639	$10,632.00
2009	$753,750	$218,590	47.426	$10,366.84
2008	$567,250	$164,500	48.986	$8,058.20
2007	$567,250	$164,500	43.707	$7,189.80
2006	$315,580	$91,520	53.726	$4,917.00

Contact the Treasurer's Office for current property tax amount due. Do not use the figures above to pay outstanding property taxes.

Land Information

Land Description	Land Type	Acres	Site Access	Electricity	Sewer	Water	Other Attributes
VACANT RES LOTS	Vacant	0.258	YEAR AROUND GOVT MAINTAINED	TO SITE	CENTRAL TO SITE NOT YET INSTALLED	DOMESTIC TO SITE NOT YET INSTALLED	LAND TYPE PRIMARY - MEADOW VIEWS - SCENIC OR ABOVE AVERAGE UNIQUE CHARACTERISTICS - OVER SIZED LOT UNIQUE CHARACTERISTICS - ADJACENT TO PROTECTED OPEN SPACE

Sales and Conveyance Information

Sale Date	Sale Amount	Grantor	Grantee	Vacant or Improved (at time of sale)	Reception #	Deed Type
No sales associated with this parcel.						

The Gunnison County Assessor's Office makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation. All assessment information is subject to change before the next certified tax roll. Website Updated: May 1, 2016

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Owner and Parcel Information

Owner Name & Mailing Address	
VERZUH RANCH INC PO BOX 836 CRESTED BUTTE, CO 81224-0836	
Business Name:	NA

Today's Date:	June 16, 2016
Appraisal Year:	2015

Account Number:	R041107
Parcel Number:	3255-022-80-003
Account Type:	Vacant
Economic Area:	Econ Area 2
Tax District:	200
Mill Levy:	67.759

Property Location:	BELLEVIEW AVE, CRESTED BUTTE
Neighborhood:	SOUTHEAST QUARTER: VERZUH
LEA:	CRESTED BUTTE RESIDENTIAL (20001)
Subdivision:	VERZUH RANCH ANNEXATION
Condo:	
Legal Description:	TRACT 3 BLK 74 VERZUH RANCH ANNEXATION #504288
Parcel Notes	TOTAL PARCEL = 11,250SF

Parcel Map	Show Parcel Map
Building Photos	NA
Building Sketches	NA

Generate Neighboring Owner List by Distance

Search Sales By Subdivision

2016 Assessment Information

Land Actual Value	Land Assessed Value	Building Actual Value	Building Assessed Value	Total Actual Value	Total Assessed Value
$551,280	$159,870			$551,280	$159,870

Prior Year Assessment Information

Year	Actual Value	Assessed Value	Mill Levy	Ad Valorem Taxes
2015	$551,280	$159,870	65.458	$10,464.77
2014	$703,130	$203,910	67.759	$13,816.75
2013	$703,130	$203,910	60.601	$12,357.14
2012	$455,630	$132,130	53.944	$7,127.65
2011	$455,630	$132,130	55.019	$7,269.66
2010	$753,750	$218,590	48.639	$10,632.00
2009	$753,750	$218,590	47.426	$10,366.84
2008	$567,250	$164,500	48.986	$8,058.20
2007	$567,250	$164,500	43.707	$7,189.80
2006	$315,580	$91,520	53.726	$4,917.00

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Land Information

Land Description	Land Type	Acres	Site Access	Electricity	Sewer	Water	Other Attributes
VACANT RES LOTS	Vacant	0.258	YEAR AROUND GOVT MAINTAINED	TO SITE	CENTRAL TO SITE NOT YET INSTALLED	DOMESTIC TO SITE NOT YET INSTALLED	LAND TYPE PRIMARY - MEADOW VIEWS - SCENIC OR ABOVE AVERAGE UNIQUE CHARACTERISTICS - OVER SIZED LOT UNIQUE CHARACTERISTICS - ADJACENT TO PROTECTED OPEN SPACE

Sales and Conveyance Information

Sale Date	Sale Amount	Grantor	Grantee	Vacant or Improved (at time of sale)	Reception #	Deed Type
No sales associated with this parcel.						

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Property Record Card (PRC)

Owner and Parcel Information

Owner Name & Mailing Address	
VERZUH RANCH INC PO BOX 836 CRESTED BUTTE, CO 81224-0836	
Business Name:	NA

Today's Date:	June 16, 2016
Appraisal Year:	2015

Account Number:	R041060
Parcel Number:	3255-022-76-002
Account Type:	Vacant
Economic Area:	Econ Area 2
Tax District:	200
Mill Levy:	67.759

Property Location:	9TH ST, CRESTED BUTTE
Neighborhood:	SOUTHEAST QUARTER: VERZUH
LEA:	CRESTED BUTTE RESIDENTIAL (20001)
Subdivision:	VERZUH RANCH ANNEXATION
Condo:	
Legal Description:	TRACT 2 BLK 70 VERZUH RANCH ANNEXATION #504288
Parcel Notes	TOTAL PARCEL = 10,687.5SF

Parcel Map	Show Parcel Map
Building Photos	NA
Building Sketches	NA

Generate Neighboring Owner List by Distance

Search Sales By Subdivision

2016 Assessment Information

Land Actual Value	Land Assessed Value	Building Actual Value	Building Assessed Value	Total Actual Value	Total Assessed Value
$639,670	$185,500			$639,670	$185,500

Prior Year Assessment Information

Year	Actual Value	Assessed Value	Mill Levy	Ad Valorem Taxes
2015	$639,670	$185,500	65.458	$12,142.46
2014	$667,970	$193,710	67.759	$13,125.61
2013	$667,970	$193,710	60.601	$11,739.03
2012	$432,840	$125,520	53.944	$6,771.05
2011	$432,840	$125,520	55.019	$6,905.98
2010	$716,060	$207,660	48.639	$10,100.37
2009	$716,060	$207,660	47.426	$9,848.48
2008	$538,890	$156,280	48.986	$7,655.52
2007	$538,890	$156,280	43.707	$6,830.52
2006	$299,790	$86,940	53.726	$4,670.92

Contact the Treasurer's Office for current property tax amount due. Do not use the figures above to pay outstanding property taxes.

Land Information

Land Description	Land Type	Acres	Site Access	Electricity	Sewer	Water	Other Attributes
VACANT RES LOTS	Vacant	0.245	YEAR AROUND GOVT MAINTAINED	TO SITE	CENTRAL TO SITE NOT YET INSTALLED	DOMESTIC TO SITE NOT YET INSTALLED	LAND TYPE PRIMARY - MEADOW VIEWS - PANORAMIC OR OUTSTANDING UNIQUE CHARACTERISTICS - OVER SIZED LOT UNIQUE CHARACTERISTICS - ADJACENT TO PROTECTED OPEN SPACE

Sales and Conveyance Information

Sale Date	Sale Amount	Grantor	Grantee	Vacant or Improved (at time of sale)	Reception #	Deed Type
No sales associated with this parcel.						

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Owner and Parcel Information

Owner Name & Mailing Address	
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Business Name:	NA

Today's Date:	June 16, 2016
Appraisal Year:	2015

Account Number:	R041059
Parcel Number:	3255-022-76-001
Account Type:	Vacant
Economic Area:	Econ Area 2
Tax District:	200
Mill Levy:	67.759

Property Location:	ELK AVE, CRESTED BUTTE
Neighborhood:	SOUTHEAST QUARTER: VERZUH
LEA:	CRESTED BUTTE RESIDENTIAL (20001)
Subdivision:	VERZUH RANCH ANNEXATION
Condo:	
Legal Description:	TRACT 1 BLK 70 VERZUH RANCH ANNEXATION #504288
Parcel Notes	TOTAL PARCEL = 10,687.5SF

Parcel Map	Show Parcel Map
Building Photos	NA
Building Sketches	NA

Generate Neighboring Owner List by Distance

Search Sales By Subdivision

2016 Assessment Information

Land Actual Value	Land Assessed Value	Building Actual Value	Building Assessed Value	Total Actual Value	Total Assessed Value
$639,670	$185,500			$639,670	$185,500

Prior Year Assessment Information

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No sales associated with this parcel.						

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