RECORDING REQUESTED BY:
WHEN RECORDED RETURN TO:
Town of Crested Butte
Attn: Town Clerk
P.O. Box 39
Crested Butte, CO 81224

PRE-ANNEXATION AGREEMENT

THIS PRE-ANNEXATION AGREEMENT (this "**Agreement**") is made and entered into this 16th day of February, 2016 (the "**Effective Date**"), by and between the **TOWN OF CRESTED BUTTE, COLORADO** (the "**Town**"), a Colorado home rule municipality and **CYPRESS FOOTHILLS, LP** ("**Applicant**"), a Texas limited partnership.

RECITALS:

A. At the Town Council's January 11, 2016 Town Council meeting, the Town Council considered an application (the "**Application**") from Applicant requesting that Applicant be given the right and approval to connect its real property, approximately 44.5 acres in size, as legally described in **Exhibit A** attached hereto (the "**Subject Property**") to the Town's sewer system pursuant to §13-1-280 of the Crested Butte Municipal Code (the "**Code**").

B. Section 13-1-280 of the Code authorizes the Town to provide sewer services outside of the Town's municipal boundaries in certain circumstances; the Subject Property is located within the Town's Waste Water Service Area; and an Intergovernmental Agreement Regarding the Upper East River Valley Areawide 201 Facilities Plan to which the Town is a party contemplates that the Town may provide sewer services to properties within its Waste Water Service Area.

C. As part of the Application, Applicant has agreed, in exchange for the right and approval to connect the Subject Property to the Town's sewer system, to convey title to part of the Subject Property to the Town, subject to certain requirements and conditions, along with Applicant's performance of certain other obligations hereunder.

D. During said Town Council meeting, the Town Council received and considered a Town Staff Report addressing the Application, as well as comment from the public on the Application.

E. Following presentation of the Application by Applicant, Town Staff's presentation and the Town Council's receipt of comments from the public, the Town Council considered the Application and moved to instruct the Town Staff and Town Attorney to prepare a pre-annexation agreement reflecting Applicant's Application and including therein such other terms and condition as are deemed necessary and advisable.

F. The Town and Applicant now desire to memorialize the terms and conditions respecting the Application, the conveyance of title to part of the Subject Property to the Town, the requirements and conditions in connection with such conveyance, and Applicant's performance of certain other obligations in this Agreement pursuant to §13-1-280 of the Code.

AGREEMENT:

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and Applicant agree as follows:

1. **Purpose**. The purpose of this Agreement is to set forth certain, binding terms and conditions upon which the Town and Applicant agree as respects the discrete subject matters addressed herein. By Applicant's performance of its obligations set forth herein, Applicant shall be authorized to connect to the Town's sewer system pursuant to §13-1-280 of the Code.

2. **No Other Vested Right**. No vested right or entitlement of any kind whatsoever are being granted or conveyed by the Town to Applicant other than the contractual rights between the parties arising by virtue of this Agreement.

3. **Incorporation**. The Application is incorporated herein. In the event of any inconsistency between any term or condition of this Agreement and the Application, this Agreement and such inconsistent term or condition herein shall in all cases prevail and control.

4. **Term**. Applicant shall have 48 months from the Effective Date of this Agreement to: (a) obtain approval from Gunnison County (the "**County**") of its Major Impact Land Use Change Application (the "**County Application**") project (the "**County Project**"), as further described in paragraph 5; (b) obtain approval from the State of Colorado Department of Public Health and Environment ("**CDPHE**") of the voluntary cleanup plan further described in paragraph 6.3; and (c) convey the Town Parcels (as defined below). If after the expiration of 48 months, the Town fails to extend this Agreement by resolutions of the Town Council, this Agreement shall terminate and be of no further force and effect, and the parties shall be relieved of their respective obligations hereunder upon such termination.

5. **Subject Property Development**. Applicant shall develop the portion of the Subject Property east of the Slate River (the "**East Parcel**") by filing the County Application and seeking approval of the County Project from the County pursuant to the County's Land Use Resolution. Applicant shall develop the portion of the Subject Property west of the Slate River (the "**West Parcel**") through the Town's annexation process, including Chapter 15 of the Code, subject to the terms contained herein. The West Parcel and the East Parcel are legally described on **Exhibit A.** This boundary line between the West Parcel and the East Parcel generally corresponds to the western boundary of the wetlands along the west bank of the Slate River as it flows through the Property, as such wetlands have been delineated by the United States Army Corps of Engineers. The Town's municipal boundary, following annexation of the West Parcel, shall be extended north and east to the boundary between the West Parcel and the East Parcel. Cypress agrees not to erect a gate or fence across Road A at the boundary between the West Parcel and the East Parcel.

5.1 ***East Parcel Generally***. The East Parcel shall be developed through the County into a residential neighborhood.

5.2 ***West Parcel Generally***. Subject to the terms and conditions contained herein, the majority of the West Parcel shall be conveyed to the Town for use as affordable housing, open space, parks, public and other civic uses. Such potential uses include, without limitation, an emergency services center, preschool, open space, parks, recreational facilities, and affordable housing, at the locations further specified in paragraph 6.4 below. Applicant shall retain a parcel located in the northeast corner of the West Parcel along the Slate River (the "**Applicant Retained Lands**"), as legally described on **Exhibit A**, which shall be developed into six residential lots in connection with the annexation of the West Parcel.

5.3 ***Site Plan***. The site plan attached hereto to as **Exhibit B** shows the East Parcel, the West Parcel, "**Road A**," "**Road B**," and the general location of the proposed uses on the West Parcel. **Exhibit B** is preliminary in nature; it is not a final site plan or lot layout.

6. **Subject Property Development Specifics**. Development of the Subject Property shall occur in the following order and pursuant to the following terms and conditions:

6.1 Applicant shall file its County Application with the County as soon as practicable after the Effective Date.

6.1.1 At the time the Applicant submits its Preliminary Plan Application to the County, Applicant shall also submit to the Town its plan for connecting the East Parcel to the Town's sewer system and its plan for constructing Road A on the West Parcel according to *Public Works Criteria for Design and Construction of Earthwork, Sewer and Water* (the "**Town Specifications**").

6.1.2 Upon County approval of the County Project, Applicant will enter into a standard sewer connection agreement with the Town, which agreement (a) shall be substantially similar to the sewer connection agreements the Town has previously used to extend sewer service beyond its municipal boundaries, and (b) shall not be inconsistent with this Agreement (the "**Sewer Connection Agreement**").

6.1.3 The traffic study Applicant prepares as part of its County Application will include the proposed uses on both the East Parcel and the West Parcel.

6.1.4 This Agreement and all of the terms hereof shall be contingent and are hereby expressly conditioned upon Applicant obtaining County approval of the County Project on the East Parcel, together with approval for the construction of Road A across the West Parcel, as reflected on **Exhibit B**, which County approval is satisfactory to Applicant in its sole discretion (the "**Requisite Approval**"). In the event Applicant fails to obtain the Requisite Approval, this Agreement shall be null and void and the parties shall have no further obligations to one another.

6.2 If Applicant obtains the Requisite Approval from the County on the East Parcel, the County-approved final plat of the Subject Property shall reflect the West Parcel as a remainder tract. No activities related to the West Parcel, including but not limited to its planning, annexation, zoning, subdivision and development shall delay Applicant's construction

of road and utility infrastructure (including but not limited to the construction of Road A as reflected on **Exhibit B**) necessary to sell the residential lots approved by the County on the East Parcel; provided that, before Applicant constructs any such road and utility infrastructure across and through the West Parcel to the East Parcel, including Road A, Applicant shall deliver to the Town, and the Town will review, and not unreasonably withhold its approval of, an engineering feasibility study regarding the delivery of wastewater services to the East Parcel, and the parties will enter into the Sewer Connection Agreement. Applicant shall pay the Town's costs and expenses of reviewing and approving the engineering feasibility study delivered to the Town pursuant to this paragraph 6.2, and such costs and expenses the Town incurs in connection with the preparation and execution of the Sewer Connection Agreement.

6.3 If and when Applicant obtains the Requisite Approval from the County on the East Parcel, Applicant shall promptly enter the portions of the Old Town Landfill located within the West Parcel as reflected on **Exhibit B** into the Colorado Voluntary Cleanup Program ("**VCUP**") administered by CDPHE. Applicant shall request approval from CDPHE of a cleanup plan proposed by Applicant that meets CDPHE standards necessary to allow a portion of Town Parcel 2 (as defined below) to be used for a preschool, for open use recreational facilities, parks, or playfields, libraries or museums, art centers, schools, essential governmental uses (but not public utility facilities), a bus stop and parking ancillary to the foregoing uses and open space if the Town so elects pursuant to paragraph 6.3.1 below; Town Parcel 3 (as defined below) to be used for the development of affordable housing; and Town Parcel 4 (as defined below) to be used as open space. Applicant's receipt of a no action determination from CDPHE confirming that Applicant has achieved the cleanup standards described above (the "**No Action Determination**") is an express condition precedent to Applicant's obligation to convey the Town Parcels to the Town. In the event Applicant fails to obtain the No Action Determination, this Agreement shall be null and void, and the parties shall have no further obligations to one another.

6.3.1 Upon entry of the portions of the Old Town Landfill located within the West Parcel as reflected on **Exhibit B** into CDPHE's VCUP, Applicant shall thereafter communicate with the Town at regular, but in no event less than every other two weeks regarding the VCUP process, the cleanup being performed pursuant thereto and the progress thereof. In this regard, Applicant agrees to allow the Town to reasonably communicate with CDPHE in concert with Applicant regarding the VCUP process and the cleanup being performed. Applicant and the Town agree to work cooperatively regarding the VCUP process and the cleanup, with the Town agreeing to not interfere with the VCUP process and cleanup and Applicant agreeing to share any and all information regarding the VCUP process and cleanup with the Town. With respect to the cleanup of the Old Town Landfill on Town Parcel 2, the Town may elect, at any time and in its sole discretion, to notify Applicant, in writing, that it intends to use the Old Town Landfill on Town Parcel 2 only as open space. Upon receipt of such an election by the Town, Applicant agrees to use all reasonable efforts with CDPHE to amend its VCUP to define the end use of the Old Town Landfill on Town Parcel 2 as open space. Upon approval of this modification by CDPHE, Applicant shall only perform the cleanup work required by CDPHE to use the Old Town Landfill on Town Parcel 2 as open space, and the Town shall thereafter only be entitled to use Town Parcel 2 as open space; provided that, if the Town, at its sole cost and expense, elects, at its sole discretion, to later gain an amendment to the

No Action Determination (or the issuance of a new no action determination by CDPHE, as the case may be) for Parcel 2 thus allowing for the other uses contemplated in paragraphs 6.3 and 6.4.1.3 based on the Town achieving the cleanup standards required therefor, the Town shall be entitled to use Parcel 2 for such permitted uses in accordance with CDPHE's no action determination.

6.3.2 In connection with the VCUP, Applicant shall obtain and provide to the Town an estimate of the cost of obtaining the No Action Determination based on the cleanup plan proposed by Applicant and approved by CDPHE (the "**Estimated Cleanup Cost**"), which such estimate shall be stamped by a Colorado licensed professional engineer. Applicant shall initiate and complete the approved cleanup with reasonable diligence, provided that in no event shall Applicant be required to spend more than 125% of the Estimated Cleanup Cost in pursuing the No Action Determination. In the event the actual cleanup cost exceeds the Estimated Cleanup Cost by more than 25%, Applicant and the Town shall consult with one another on how the excess costs of the cleanup shall be paid.

6.4 Upon Applicant's receipt of the No Action Determination, Applicant shall be obligated to convey by quitclaim deed, on an "as is where is" basis, made without representations or warranties as to the physical or environmental conditions (the "**Deed of Conveyance**") "**Town Parcel 1**," "**Town Parcel 2**," "**Town Parcel 3**," and "**Town Parcel 4**" (each a "**Town Parcel**"; together collectively, the "**Town Parcels**") on the West Parcel. The Town Parcels are legally described on **Exhibit A**. The Town Parcels are subject to the encumbrances and exceptions set forth on **Exhibit C**. The Deed of Conveyance also will be subject to the terms and conditions of this Agreement, and expressly set forth the restrictions and obligations contained in paragraphs 6.4.4 and 6.4.5 hereof. Other than any conditions, limitations, and restrictions imposed by Gunnison County as part of its approval of the County Project, Applicant agrees not to further encumber the Town Parcels, provided however that in the event the County imposes an obligation or restriction that precludes the Town's ability to use the Town Parcels for the uses contemplated herein, then the Town shall have the right to terminate this Agreement, and the parties shall be relieved of their respective obligations hereunder upon such termination. Applicant's obligation to convey the Town Parcels shall be subject to the following express conditions precedent:

6.4.1 Following the Requisite Approval from the County, Applicant shall file an annexation petition pursuant to Chapter 15 of the Town Code seeking to annex the West Parcel. The Town shall, as soon as practicable, initiate and process to completion the master planning, annexation, zoning and subdivision processes for the West Parcel consistent with this Agreement. The Town shall consult with Applicant, and Applicant shall cooperate with, the Town's planning, annexation, zoning and subdivision of the West Parcel, including but not limited to providing the Town all engineering, surveys, and other non-privileged materials related to the Subject Property already in Applicant's possession, custody, or control. However, except as otherwise set forth herein, the completion of these processes for the West Parcel shall be the primary responsibility of, and at the sole cost and expense of, the Town, and all costs to Applicant shall be waived.

6.4.1.1 The Applicant Retained Lands shall be subdivided into six Town lots and zoned as one of the Town's existing residential zoning designations.

6.4.1.2 Town Parcel 1 shall be zoned "P" Public. Any emergency services center to be located on the Town Parcels shall be located only on Town Parcel 1. The Town shall not develop the pond wetlands located within Town Parcel 1, other than as related to the extension of Road B. No building constructed on Town Parcel 1 shall exceed 30 feet in height.

6.4.1.3 Town Parcel 2 shall be zoned "P" Public, and subject to paragraph 6.3.1 above, shall only be used for open use recreational facilities, parks, or playfields, libraries or museums, art centers, schools, essential governmental uses (but not public utility facilities), a bus stop, and parking ancillary to the foregoing uses.

6.4.1.4 Town Parcel 3 shall be zoned "A-O" Agriculture-Open District, "P" Parks, "R2A" Residential, and/or "R4" Residential/Multi Family; provided, however, that if Town Parcel 3 is zoned "R2A" or "R4," Town Parcel 3 shall only be used for the development of affordable housing.

6.4.1.5 Town Parcel 4 shall be zoned "A-O," "P," "R2A" and/or "R4"; provided, however, that: (a) Town Parcel 4 shall only be used as open space and/or parks until the earlier to occur of (i) the sale and closing of all of the residential lots on the East Parcel and the Applicant Retained Lands, (ii) 10 years from the Effective Date, or (iii) approval by Applicant or its successor in interest (the "**Land Conservation Covenant**"); (b) after the expiration of the Land Conservation Covenant, if any portion of Town Parcel 4 is zoned "P", such portion shall only be used for open use recreational facilities, parks, or playfields, libraries or museums, art centers, schools, essential governmental uses (but not public utility facilities), a bus stop, and parking ancillary to the foregoing uses; and (c) if any portion of Town Parcel 4 is zoned "R2A" and/or "R4," such portion shall be no larger than Town Parcel 3, shall be adjacent to and located immediately north of Town Parcel 3, shall be no wider from north to south than Town Parcel 3, and shall only be used for the development of affordable housing.

6.4.1.6 Within two years of annexation, Applicant will construct a river trail along with west bank of the Slate River through the West Parcel as shown on **Exhibit B** (the "**River Trail**") in order to provide potential connectivity to the existing Rec Path south and east of the Subject Property. Concurrently, with the construction of the River Trail, Applicant will move the sewer outfall to the south and construct fencing between the River Trail and the Town's Public Works Yard. Applicant shall choose the design, style, and material for such fencing, but Applicant shall consult with the Town to ensure that the final design, style, and materials selected for this fencing are reasonably sufficient to create a distinct barrier between the River Trail and the Public Works Yard that is no less secure than a chain link fence six feet in height. In addition, in order to provide boater access to the Slate River from its west bank, immediately south of the Road A bridge (the "**Boat Launch**"), and on the Slate River as it flows through the Property, Applicant and the Town shall enter into a boater access easement agreement concurrently with the conveyance of the Town Parcels memorializing such access in perpetuity. This easement agreement will address the terms and conditions for boater access to

the Slate River as it flows through the Property as well as associated uses of the Boat Launch, including but not necessarily limited to, other permissible recreational uses of the Boat Launch and vehicular access to and from the Boat Launch. Finally, Applicant reserves the right, in its sole discretion, and at its sole expense, to install odor controls on the wastewater treatment plant, as contemplated by the Public Works Facility Master Plan prepared by JVA, Incorporated.

6.4.1.7 The annexation and development of the West Parcel is unique and is unlikely to fit neatly into each and every one of the more formulaic requirements of the Town's annexation and subdivision provisions. The Town Code affords the Town Council the flexibility necessary to annex and develop the West Parcel consistent with this Agreement and in the best interest of the Town's citizens. *See, e.g.*, § 15-1-60(a)(10) & (b)(2)(d); § 15-1-70(a)(3) & (b)(1); § 15-1-80(b)(7) & (b)(14).

6.4.1.8 Prior to the conveyance of the Town Parcels, the Town shall release Applicant, its partners, affiliates, lenders, agents, employees, and all predecessor owners of the Town Parcels in connection with the transfer of the Town Parcels, including all portions of the Old Town Landfill located on Town Parcel 2, Town Parcel 3 and Town Parcel 4, that shall include a release of all claims and covenant not to sue with respect to any site conditions and or any responsibilities or liabilities, including without limitations any environmental liabilities related to the Town Parcels. The Town shall record against Town Parcel 2, Town Parcel 3, and Town Parcel 4 notice, confirmation and a release and covenant not to sue Applicant, its partners, affiliates, lenders, agents, employees, and all predecessor owners of the Town Parcels, which shall be a condition of any transfer to any future purchaser, and to which any future purchaser of any portion of such Town Parcels must agree.

6.4.2 The Town Parcels shall be conveyed by Applicant to the Town once Applicant has obtained the No Further Action determination from CDPHE and the Town Parcels have been legally subdivided, approved, annexed, and zoned.

6.4.3 Town Parcel 1, Town Parcel 2 and Town Parcel 3 shall be conveyed to the Town without any financial consideration. Town Parcel 4 shall be conveyed to the Town in exchange for $350,000.00, which amount is a portion of the anticipated cost of obtaining the No Action Determination.

6.4.4 The Deed of Conveyance shall require the Town to refrain from any uses of the Town Parcels affected by the Old Town Landfill that may disturb any cap associated with the approved cleanup, and any other controls and conditions contained in the No Action Determination. The Deed of Conveyance shall also include: (a) the right of Applicant to enforce, through injunctive relief, the terms of this Agreement and the controls and conditions contained in the No Action Determination; and (b) the obligation of the Town to obtain Applicant's consent to any amendment or modification to the terms of this Agreement and the controls and conditions contained in the No Action Determination.

6.4.5 The Deed of Conveyance shall include the Land Conservation Covenant. The final Land Conservation Covenant shall be reasonably acceptable to the Town and consistent with this Agreement.

6.4.6 In the event that the Town desires to use Town Parcel 4 for any of the uses described in paragraph 6.4.1.5(b) or (c) above after the expiration of the Land Conservation Covenant, it shall be the Town's sole responsibility to undertake whatever other remediation of the applicable portion of the Old Town Landfill is required by CDPHE to modify the No Action Determination as needed to allow for the Town's proposed uses of Town Parcel 4, provided however, that in the event the Town uses a portion of Town Parcel 4 for affordable housing consistent with paragraph 6.4.1.5(c) above, it must, at a minimum, meet the same cleanup standards Applicant was required to meet for the cleanup of Town Parcel 3.

6.4.7 Applicant represents and warrants that it has provided to the Town all record and off record information within its possession regarding the Town Parcels, including, without limitation, any and all environmental reports, tests and studies thereof.

6.4.8 The maximum floor area of all buildings on a lot on the East Parcel shall not exceed 5,750 square feet in the aggregate. The main residence shall not exceed 5,000 square feet, and the sum total of all detached accessory buildings shall not exceed 750 square feet.

6.4.9 The Town shall cooperate with Applicant to ensure appropriate buffering between development of the East Parcel and the Applicant Retained Lands, on the one hand, and the Town Parcels and any Town properties, on the other hand. Development of the Town Parcels shall not compete with Applicant's residential development on the East Parcel and the Applicant Retained Lands. The Town shall reasonably permit the installation of buffers and other mitigation measures at Applicant's expense on Town property around the Town Public Works Yard as contemplated in the Town Public Works facility master plan, or as otherwise agreed to by the parties.

6.4.10 Applicant shall observe a 50-foot building set back from all high quality wetlands on the East Parcel. Lot boundaries on the East Parcel may extend to within 25 feet of a high quality wetland boundary. Lot boundaries on the East Parcel adjacent to low quality wetlands may extend to the low quality wetland boundary, provided that any such lot would have a building setback of 25 feet.

6.4.11 Applicant shall be responsible for the construction of Road A and Road B on the West Parcel, and all of the roads on the East Parcel at its sole cost expense. Road A and Road B on the West Parcel shall be constructed in accordance with the Town Specifications. Road A and Road B on the West Parcel shall be dedicated to the Town and maintained by the Town following acceptance thereof, subject to a two-year warranty by Applicant. The Town shall convey adequate right-of-ways for the benefit of Applicant and its successors and assigns for Road A and Road B on and through the West Parcel. All roads on the West Parcel shall be public. All roads on the East Parcel shall be private.

6.4.12 The right of way for the extension of Eighth Street north from Butte Avenue to Road A would cross Town Property (where the Town Public Works Yard is currently located) and the Subject Property. It is possible that there are portions of the Old Town Landfill

within this right of way, on the Town's property, on Applicant's property, or both. If portions of the Old Town Landfill are located within the Eighth Street right of way on the Town's property, then the Town may elect to undertake whatever remediation is required by CDPHE to allow for the construction of Eighth Street through the Town's property to the Subject Property. If the Town elects to perform such remediation, or if there are not portions of the Old Town Landfill located on the Town property within the Eighth Street right of way, then in the event there are portions of the Old Town Landfill located within the Eight Street right of way on Applicant's property, Applicant shall be responsible for undertaking whatever remediation is required by CDPHE to allow for the construction of Eighth Street through the Subject Property to the intersection between Eighth Street and Road A. Once the Town and Applicant have obtained any necessary approvals from CDPHE allowing for the construction of Eighth Street through their respective properties, or if CDPHE approval is not required, then, and only then, will Applicant be responsible for the performance of the construction of Eighth Street and associated utility infrastructure work. However, Applicant can, in its sole discretion, choose to perform all of the necessary cleanup of landfill materials itself, on both the Subject Property and Town property, but in order to perform any cleanup of landfill materials on the Town property, Applicant will be required to enter into an indemnification agreement that is satisfactory to the Town. If Applicant performs the construction of Eighth Street and associated utility infrastructure work pursuant to this paragraph 6.4.12, then such construction and associated utility infrastructure work shall be performed at Applicant's cost and expense. The Town shall provide access to Town property as necessary for all purposes related to the construction of Eighth Street and associated utility infrastructure. The Town shall provide Applicant with a release of all claims and covenant not to sue with respect to any site conditions and any responsibilities or liabilities, including without limitation any environmental liabilities, related to the Eighth Street construction and any associated utility infrastructure work. Until the Town and Applicant are able to achieve the construction of Eighth Street and associated utility infrastructure, the Town shall grant an easement for non-motorized pedestrian access to the Subject Property from Butte Avenue across Town property to the north (where the Town Public Works Yard is currently located) for the benefit of the Subject Property, and allow Applicant to construct a trail at Applicant's expense, and at a location and pursuant to terms approved by the Town, in order to accommodate said easement.

6.4.13 Applicant shall be responsible for the installation of all utility infrastructure necessary to connect the residential lots on the East Parcel to the Town's sewer system pursuant to and in accordance with the terms and conditions of the Sewer Connection Agreement. All wastewater infrastructure shall be constructed in accordance with the Town Specifications, dedicated to the Town, and maintained by the Town following acceptance thereof, subject to a two-year warranty by Applicant.

6.4.14 Applicant shall be responsible for the installation of all utility infrastructure necessary to connect the Town's water and wastewater systems from the Town Parcels to the residential lots on the Applicant Retained Lands pursuant to and in accordance with the terms and conditions of a standard development improvements agreement to be executed upon the annexation of the West Parcel pursuant to paragraph 6.4.1 above that is (a) substantially similar to the development improvement agreements the Town has previously used, and (b) not inconsistent with this Agreement. Such infrastructure shall be constructed in

accordance with the Town Specifications, dedicated to the Town, and maintained by the Town following acceptance thereof, subject to a two-year warranty by Applicant.

6.4.15 On the written the request of the Town, Applicant shall permit and shall not unreasonably condition or delay an adjacent property owner's request to connect to the Town's sewer system through the East Parcel and the Applicant Retained lands; provided that any such connection shall not result in an increase in cost or expense to Applicant, but rather shall be borne by such adjacent property owner benefiting from such connection, with the terms and conditions and easements necessary for such future connections to be negotiated between Applicant and such third parties. Such terms and conditions shall include compliance with all applicable Town requirements, including, without limitation, §13-1-280 of the Code and the Town Specifications.

6.4.16 Applicant shall be responsible to pay availability fees in accordance with Section 13-1-160 of the Code (the "**Availability Fees**"). Applicant shall pay all Availability Fees for the East Parcel and Applicant Retained Lands upon the Town's acceptance of all wastewater infrastructure.

6.4.17 Pursuant to Section 13-1-280 of the Code, tap fees for residential lots on the East Parcel will be one and one half times (1.5x) per EQR of the in-Town rate (the "**Tap Fees**") as of the Effective Date.

6.4.18 Pursuant to Section 13-1-280 of the Code, monthly service fees for residential lots on the East Parcel will be two times (2x) per EQR of the in-Town rate (the "**Service Fees**") as of the Effective Date.

6.4.19 Applicant acknowledges that at all times, all road and related infrastructure maintenance and snow plowing on the East Parcel shall be the sole responsibility of Applicant at its cost and expense. Applicant shall provide, however, easements and associated access for maintenance of all sewer infrastructure on the East Parcel which shall be performed in accordance with the Code. Applicant shall be responsible for all other road and utility infrastructure maintenance and snow plowing on the West Parcel, at its sole cost and expense, until the completion, acceptance, and dedication of such infrastructure.

7. **No Interference with Gunnison County's Jurisdiction**. For purposes of clarity, final approval of the subdivision and development of the East Parcel rests with Gunnison County, Colorado. The parties do not intend, and are not, by entering into this Agreement seeking to usurp or interfere in any way with the County's jurisdiction over the subdivision and development of the East Parcel, the County Land Use Resolution, or the County's land use change process. Provided that Applicant complies with the terms and conditions of this Agreement, the Town shall not impose any further obligations on Applicant's subdivision and development of the East Parcel with the County, nor shall it object to the County's approval of the County Project at any phase thereof, nor shall it advocate for additional restrictions on the East Parcel; provided that the County Application is, and remains, consistent with the terms and conditions of this Agreement. However, in the event any subsequent amendment to the County's Land Use Resolution lessens regulatory restrictions on the development of the East Parcel, Applicant must obtain the approval of the Towne in order to benefit from any such amendment with respect to the development of the East Parcel.

8. **Compliance with Law**. When fulfilling its obligations under this Agreement, Applicant shall comply with all relevant laws, ordinances and regulations in effect as of the Effective Date. In addition, Applicant shall be subject to all laws, ordinances and regulations of general applicability that become effective after the Effective Date.

9. **No Waiver**. Applicant acknowledges and agrees that the Town is relying upon, and does not waive or intend to waive by any provision of this Agreement, the monetary limitations (currently $350,000.00 per person and $990,000.00 per occurrence) or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, § 24-10-101, et seq., C.R.S., as from time to time amended, or otherwise available to the parties, their officers, or their employees.

10. **TABOR; Colorado Constitution, Article X, Section 20**. Notwithstanding any other provision in this Agreement to the contrary, the parties understand and acknowledge that the Town is subject to Article X, § 20 of the Colorado Constitution ("**TABOR**"). (a) The parties do not intend to violate the terms and requirements of TABOR by the execution of this Agreement. (b) It is understood and agreed that this Agreement does not create a multi-fiscal year direct or indirect debt or obligation within the meaning of TABOR and, therefore, notwithstanding anything in this Agreement to the contrary, all payment obligations of the Town are expressly dependent and conditioned upon the continuing availability of funds beyond the term of the parties' current fiscal period ending upon the next succeeding December 31. (c) Financial obligations of the Town payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted and otherwise made available in accordance with ordinances and resolutions of the Town and other applicable law. (d) Nothing contained in this Agreement shall constitute a pledge of the full faith and credit of the general tax revenues, funds or moneys of the Town except the amount appropriated for the purpose of making payments hereunder during the current fiscal year. (e) The Town's obligation to pay $350,000 to Applicant in exchange for the conveyance of Town Parcel 4 is subject to annual renewal and such obligation to pay shall be terminated upon the occurrence of an event of non-appropriation and, in such event, (i) The Town shall not be obligated to pay $350,000 for the conveyance of Town Parcel 4, and (ii) Applicant shall not be obligated to convey Town Parcel 4.

11. **Cooperation; Other Documentation; Instruments**. The parties shall reasonably cooperate with each other in order effect the transactions contemplated in this Agreement. The parties shall give, enter into, execute and approve such additional agreements, corporate approvals and instruments as are necessary and appropriate to effect such transactions.

12. **Assignment; Assumption**. This Agreement and the rights and obligations contained herein may be assigned or transferred by Applicant only upon written consent approved by resolutions of the Town Council, which such consent shall not be unreasonably withheld, provided however that the right of approval belonging to Applicant in paragraph 6.4.5(c) shall be freely assignable and transferrable to the homeowners association for the residential lots to be developed on the East Parcel. Any transfer or assignment without the necessary written consent shall be void *ab initio*. Upon any proper assignment or transfer hereunder, the assignee or transferee shall assume all the rights and obligations of Applicant hereunder.

13. **Termination**. Each party reserves the right to terminate this Agreement if the other party breaches any term or condition hereof, and, after receipt of written notice thereof from the non-breaching party, fails to cure such breach within 30 days of receipt of such notice; except that where such breach is not susceptible to timely cure despite reasonable efforts by the breaching party, the breaching party shall have such additional time as is reasonably necessary to effect a cure where such cure is being diligently pursued. In addition to termination of this Agreement, the non-breaching party may pursue all rights and remedies at law and in equity against the breaching party, including, without limitation, specific performance and actions for damages. Neither party shall be liable to the other for any incidental, special, or consequential damages.

14. **Authority**. The person executing this Agreement on behalf of Applicant does hereby covenant and warrant that as to Applicant, such person is duly authorized and has full right and authority to enter into this Agreement and that the person signing on behalf of Applicant is authorized to do so.

15. **Waiver of Defects**. In executing this Agreement, the parties waive all objections they may have over defects, if any, in the form of this Agreement, the formalities for execution, concerning the power of the Town to impose the conditions on Applicant as set forth herein, or over the procedure, substance or form of the resolutions adopting this Agreement.

16. **Entire Agreement**. This Agreement supersedes and controls all prior written and oral agreements and representations of the parties with respect to the subject matters addressed herein and represents the total integrated agreement between the parties with respect to such subject matters.

17. **Modification**. This Agreement shall not be amended or modified, except by subsequent written agreement of the parties approved by resolutions of the Town Council.

18. **No Waiver**. A waiver of any right or remedy on any one occasion shall not be construed as a bar to or waiver of any such right or remedy on any other occasion.

19. **General Release**. It is expressly understood that the Town cannot be legally bound by the representations of any of its elected officials, officers, employees, agents, representatives and attorneys or their designees, except in accordance with Town ordinances, the Code and the laws of the State of Colorado, and that Applicant, when dealing with the Town, acts at its own risk as to any representation or undertaking by the Town, its elected officials, officers, employees, agents, representatives ,and attorneys or their designees, which is subsequently held unlawful by a court of law; provided, however, this paragraph shall not be construed to limit the rights and remedies of the parties otherwise provided by law, including under equitable doctrines such as estoppel.

20. **Notices**. Any notice or other information required by this Agreement to be sent to a party shall be sent by facsimile, e-mail, overnight courier or certified mail to the following:

Cypress Foothills, LP
Attention: Cameron Aderhold
8343 Douglas Ave., Suite 200
Dallas, Texas 75225
Facsimile: 214-283-1600
cameron.aderhold@cypressequities.com

with a copy to:

Cypress Foothills, LP
Attention: Brian Parro
8343 Douglas Ave., Suite 200
Dallas, Texas 75225
Facsimile: 214-283-1600
brian.parro@cypressequities.com

with a copy to:

Law of the Rockies
Attention: Marcus J. Lock
525 North Main Street
Gunnison, Colorado 81230
Facsimile: 970-641-1943
mlock@lawoftherockies.com

Town of Crested Butte
Attention: Michael Yerman
507 Maroon Avenue
P.O. Box 39
Crested Butte, Colorado 81224
Facsimile: 970-349-6626
myerman@crestedbutte-co.gov

with a copy to:

J. D. Belkin & Associates, LLC
Attention: John Belkin, Town Attorney
502 Whiterock Avenue, Suite 200
P.O. Box 2919
Crested Butte Colorado 81224
Facsimile: 970-497-4401
jbelkin@jbelkinlaw.com

Notice shall be effective when actually received by the party intended to be notified.

21. **Voluntary Agreement**. Applicant's continued compliance with all of the terms and conditions of this Agreement on a voluntary and contractual basis is a condition of its right to connect to the Town's central sewer system.

22. **Attorneys' Fees; Costs**. Should this Agreement become the subject of a dispute between the Town and Applicant, the substantially prevailing party shall be entitled to reasonable attorneys' fees, costs, and expenses incurred in such dispute.

23. **Governing Law; Venue**. This Agreement and all rights conferred and obligations imposed hereunder shall be interpreted and construed in accordance with the laws and internal judicial decisions of the State of Colorado. The sole venue in any dispute shall be the District Court for Gunnison County, State of Colorado.

24. **No Third Party Beneficiary**. The parties intend no third party beneficiaries to this Agreement, and none shall be permitted hereunder.

25. **Recording**. Upon execution, Applicant shall record this Agreement in the Office of the Gunnison County Clerk and Recorder. The benefits and burdens of this Agreement shall run with the Subject Property and be binding upon the parties successors and assigns. In the event this Agreement becomes null and void for any of the reasons set forth herein, the parties agree to execute and record a notice of termination of this Agreement and, in addition, if necessary to remove this Agreement as an exception to title to the Subject Property, the Town agrees to execute a quitclaim deed to the Subject Property.

26. **Electronic Reproductions; Counterparts**. For purposes of enforcement of terms of this Agreement, electronic reproductions of this Agreement shall be deemed to be originals. This Agreement may be executed in multiple counterparts, each of which, when taken together shall constitute one and the same instrument.

[*Remainder of Page Intentionally Left Blank;*
Signature Page(s) to Follow]

WHEREFORE, the parties hereto have executed and entered into this Agreement by their duly authorized officers on the date first written above.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Glenn Michel, Mayor

ATTEST:

_____
Lynelle Stanford, Town Clerk

(SEAL)

TOWN OF CRESTED BUTTE CORPORATE SEAL JULY 2, 1880 GUNNISON COUNTY, CO

CYPRESS FOOTHILLS, LP
Cypress Foothills GP, LLC

By: _____
Name: _____
Title: _____

Exhibit A

Overall Applicant Owned Property (the "Subject Property") Legal Description:

A parcel of land known as Tract Q of Book 516 Page 474, Parcel 13 of Book 552 Page 63, Parcel 1 of Warranty Deed recorded at Reception No. 570819, Parcel 1 of Quitclaim Deed recorded at Reception No.570822, Parcel 1 of the Correction Warranty Deed recorded at Reception No.584439, Parcel 1 of the Special Warranty Deed recorded at Reception No.612899, and the Correction Deed recorded at Reception No.618498 all located in the SW 1/4 of Section 35, Township 13 South, Range 86 W of the Sixth PM, Gunnison County, Colorado being more particularly described as follows:

Beginning at a point on the westerly boundary of Trampe Parcel described in Book 516 Page 494 also being on the easterly right of way line of County Road 317 (Gothic Road) as recorded at Reception No. 00119 and being on the south line of the SW1/4 of said Section 35 from which the southwest Corner of said Section 35 bears N89°43'49"W a distance of 130.05 feet; thence S89°43'49"E a distance of 17.52 feet to a point on the westerly line of the Dyer Subdivision as recorded at Reception No.497990; thence along the westerly, northerly and easterly lines of said Dyer Subdivision the following eleven (11) courses:
1) N00°01'42"W a distance of 15.19 feet,
2) N89°58'18"E a distance of 495.36 feet,
3) N00°01'42"W a distance of 226.55 feet,
4) N61°00'00"E a distance of 620.66 feet,
5) S79°30'09"E a distance of 381.57 feet,
6) N61°00'00"E approximately 31.96 feet to the high water line of the Slate River; thence along the high water line of the Slate River approximately
7) S44°00'17"E a distance of 2.43 feet,
8) S61°14'28"E a distance of 180.87 feet,
9) S45°20'59"E a distance of 257.67 feet,
10) S39°16'06"E a distance of 215.58 feet,
11) S50°53'25"E a distance of 97.51 feet to the southerly line of the SW1/4 of said Section 35; thence along said southerly line S89°43'49"E, approximately 506.01 feet to the S1/4 Corner of said Section 35, said corner being a 3 1/4" Aluminum Cap; thence along an existing fence line as it exists in the field and as shown and described in a Boundary Agreement recorded in Book 769 at Page 881 the following three (3) courses:
1) N00°11'53"E a distance of 271.72 feet,
2) N00°50'11"W a distance of 932.90 feet,
3) N01°19'37"W a distance of 346.89 feet to a point on the northerly line of the Trampe Partition Parcel 13 and the southerly line of Spann Parcel 23 as described in Court Decree Amended Order of Partition as recorded in Book 552 at Page 63; thence along the northerly line of said Parcel 13

N90°00'00"W a distance of 570.01 feet to a point on the easterly line of the Town of Crested Butte Cemetery as described in Exhibit A(5) in Court Decree of Partition as recorded in Book 516 at Page 474; thence along the easterly line of said Cemetery Parcel S01°20'33"W a distance of 220.37 feet to the northerly corner of a parcel of land described in Book 518 at Page 403; thence along the northwesterly line of said parcel S29°46'00"W a distance of 470.46 feet to a point on the northerly line of said Trampe Partition Parcel 13, said point also being on the southerly line of said Cemetery Parcel; thence along said northerly line of said Parcel 13 N90°00'00"W a distance of 1116.19 feet to a point on the easterly right of way line of County Road 317 (Gothic Road); thence along said easterly right of way line as described in deeds recorded at Reception No.474960 and 474961 the following five (5) courses:

1) S46°12'21"W a distance of 116.48 feet,
2) S35°50'27"W a distance of 185.49 feet,
3) S35°50'28"W a distance of 88.19 feet,
4) S40°05'13"W a distance of 207.37 feet,
5) S39°55'42"W a distance of 238.91 feet; thence continuing along the easterly line of said right of way and westerly line of said Trampe Partition Parcel 13, 155.77 feet along the arc of a non-tangent curve to the left having a radius of 441.28 feet, a central angle of 20°13'30" and a long chord which bears S16°19'42"W a distance of 154.96 feet to a point which is common to the southwest corner of a parcel of land described in Book 518 at Page 403; thence S00°00'04"W continuing along the easterly right of way of said County Road 317 as recorded at Reception No.00119 and in accordance with Court Decree (Judgment) recorded in Book 516 at Page 494, a distance of 117.72 feet to the Point of Beginning.

Said Parcel as described above contains 44.503 acres, more or less.

All bearings shown hereon are relative to a bearing of N89°43'49"W between a GLO brass cap dated 1939 found at the southwest corner of Section 35 and a 3 ¼ inch aluminum cap stamped 18480 and dated 1995 found at the south quarter corner of Section 35.

Legal Description (Proposed East Parcel):

A portion of a parcel of land known as Tract Q of Book 516 Page 474, Parcel 13 of Book 552 Page 63, Parcel 1 of Warranty Deed recorded at Reception No. 570819, Parcel 1 of Quitclaim Deed recorded at Reception No.570822, Parcel 1 of the Correction Warranty Deed recorded at Reception No.584439, Parcel 1 of the Special Warranty Deed recorded at Reception No.612899, and the Correction Deed recorded at Reception No.618498 all located in the SW 1/4 of Section 35, Township 13 South, Range 86 W of the Sixth PM, Gunnison County, Colorado being more particularly described as follows:

Beginning at the S1/4 Corner of said Section 35, said corner being a 3 1/4" Aluminum Cap from which the southwest Corner of said Section 35 bears N89°43'49"W a distance of 2650.49 feet; thence along an existing fence line as it exists in the field and as shown and described in a Boundary Agreement recorded in Book 769 at Page 881 the following three (3) courses:
1) N00°11'53"E a distance of 271.72 feet,
2) N00°50'11"W a distance of 932.90 feet,
3) N01°19'37"W a distance of 346.89 feet to a point on the northerly line of the Trampe Partition Parcel 13 and the southerly line of Spann Parcel 23 as described in Court Decree Amended Order of Partition as recorded in Book 552 at Page 63; thence along the northerly line of said Parcel 13 N90°00'00"W a distance of 570.01 feet to a point on the easterly line of the Town of Crested Butte Cemetery as described in Exhibit A(5) in Court Decree of Partition as recorded in Book 516 at Page 474; thence along the easterly line of said Cemetery Parcel S01°20'33"W a distance of 220.37 feet to the northerly corner of a parcel of land described in Book 518 at Page 403; thence along the northwesterly line of said parcel S29°46'00"W a distance of 470.46 feet to a point on the northerly line of said Trampe Partition Parcel 13, said point also being on the southerly line of said Cemetery Parcel; thence along said northerly line of said Parcel 13 N90°00'00"W a distance of 568.93 feet; thence along the wetland boundary more or less on the southerly bank of the Slate River the following six (6) courses:
1) S20°36'39"E a distance of 77.30 feet,
2) S32°48'09"E a distance of 178.03 feet,
3) S39°16'35"E a distance of 115.15 feet,
4) S52°37'46"E a distance of 40.69 feet,
5) S42°06'22"E a distance of 87.35 feet,
6) S66°34'01"E approximately 53.68 feet to the high water line of the Slate River; thence the following five (5) courses along the high water line of the Slate River approximately:
1) S44°00'17"E a distance of 2.43 feet,
2) S61°14'28"E a distance of 180.87 feet,
3) S45°20'59"E a distance of 257.67 feet,
4) S39°16'06"E a distance of 215.58 feet,
5) S50°53'25"E a distance of 97.51 feet to the southerly line of the SW1/4 of said Section 35; thence along said southerly line S89°43'49"E, a distance of 506.01 feet to the Point of Beginning.

Said Parcel as described above contains 30.436 acres, more or less.

All bearings shown hereon are relative to a bearing of N89°43'49"W between a GLO brass cap dated 1939 found at the southwest corner of Section 35 and a 3 ¼ inch aluminum cap stamped 18480 and dated 1995 found at the south quarter corner of Section 35.

Legal Description (Proposed West Parcel):

A portion of a parcel of land known as Tract Q of Book 516 Page 474, Parcel 13 of Book 552 Page 63, Parcel 1 of Warranty Deed recorded at Reception No. 570819, Parcel 1 of Quitclaim Deed recorded at Reception No.570822, Parcel 1 of the Correction Warranty Deed recorded at Reception No.584439, Parcel 1 of the Special Warranty Deed recorded at Reception No.612899, and the Correction Deed recorded at Reception No.618498 all located in the SW 1/4 of Section 35, Township 13 South, Range 86 W of the Sixth PM, Gunnison County, Colorado being more particularly described as follows:

Beginning at a point on the westerly boundary of Trampe Parcel described in Book 516 Page 494 also being on the easterly right of way line of County Road 317 (Gothic Road) as recorded at Reception No. 00119 and being on the south line of the SW1/4 of said Section 35 from which the southwest Corner of said Section 35 bears N89°43'49"W a distance of 130.05 feet; thence S89°43'49"E a distance of 17.52 feet to a point on the westerly line of the Dyer Subdivision as recorded at Reception No.497990; thence along the westerly, northerly and easterly lines of said Dyer Subdivision the following six (6) courses:
1) N00°01'42"W a distance of 15.19 feet,
2) N89°58'18"E a distance of 495.36 feet,
3) N00°01'42"W a distance of 226.55 feet,
4) N61°00'00"E a distance of 620.66 feet,
5) S79°30'09"E a distance of 381.57 feet,
6) N61°00'00"E approximately 31.96 feet to the high water line of the Slate River; thence more or less along the wetland boundary on the southerly bank of the Slate River the following six (6) courses:
1) N66°34'01"W a distance of 53.68 feet,
2) N42°06'22"W a distance of 87.35 feet,
3) N52°37'46"W a distance of 40.69 feet,
4) N39°16'35"W a distance of 115.15 feet,
5) N32°48'09"W a distance of 178.03 feet,
6) N20°36'39"W a distance of 77.30' to a point on the northerly line of the Trampe Partition Parcel 13 and the southerly line of Spann Parcel 22 as described in Court Decree Amended Order of Partition as recorded in Book 552 at Page 63; thence along the northerly line of said Parcel 13 N90°00'00"W a distance of 547.26 feet to a point on the easterly right of way line of County Road 317 (Gothic Road); thence along said easterly right of way line as described in deeds recorded at Reception No.474960 and 474961 the following five (5) courses:
1) S46°12'21"W a distance of 116.48 feet,
2) S35°50'27"W a distance of 185.49 feet,
3) S35°50'28"W a distance of 88.19 feet,
4) S40°05'13"W a distance of 207.37 feet,
5) S39°55'42"W a distance of 238.91 feet; thence continuing along the easterly line of said right of way and westerly line of said Trampe Partition Parcel 13, 155.77 feet along the arc of a non-

tangent curve to the left having a radius of 441.28 feet, a central angle of 20°13'30" and a long chord which bears S16°19'42"W a distance of 154.96 feet to a point which is common to the southwest corner of a parcel of land described in Book 518 at Page 403; thence S00°00'04"W continuing along the easterly right of way of said County Road 317 as recorded at Reception No.00119 and in accordance with Court Decree (Judgment) recorded in Book 516 at Page 494, a distance of 117.72 feet to the Point of Beginning.

Said Parcel as described above contains 14.157 acres, more or less.

All bearings shown hereon are relative to a bearing of N89°43'49"W between a GLO brass cap dated 1939 found at the southwest corner of Section 35 and a 3 ¼ inch aluminum cap stamped 18480 and dated 1995 found at the south quarter corner of Section 35.

Legal Description (Town Parcels, Westerly Portion of the Proposed West Parcel):

A portion of a parcel of land known as Tract Q of Book 516 Page 474, Parcel 13 of Book 552 Page 63, Parcel 1 of Warranty Deed recorded at Reception No. 570819, Parcel 1 of Quitclaim Deed recorded at Reception No.570822, Parcel 1 of the Correction Warranty Deed recorded at Reception No.584439, Parcel 1 of the Special Warranty Deed recorded at Reception No.612899, and the Correction Deed recorded at Reception No.618498 all located in the SW 1/4 of Section 35, Township 13 South, Range 86 W of the Sixth PM, Gunnison County, Colorado being more particularly described as follows:

Beginning at a point on the westerly boundary of Trampe Parcel described in Book 516 Page 494 also being on the easterly right of way line of County Road 317 (Gothic Road) as recorded at Reception No. 00119 and being on the south line of the SW1/4 of said Section 35 from which the southwest Corner of said Section 35 bears N89°43'49"W a distance of 130.05 feet; thence S89°43'49"E a distance of 17.52 feet to a point on the westerly line of the Dyer Subdivision as recorded at Reception No.497990; thence along the westerly, northerly and easterly lines of said Dyer Subdivision the following six (4) courses:
1) N00°01'42"W a distance of 15.19 feet,
2) N89°58'18"E a distance of 495.36 feet,
3) N00°01'42"W a distance of 226.55 feet,
4) N61°00'00"E a distance of 416.89 feet, thence departing the northerly line of said Dyer subdivision N00°01'42"W a distance of 466.74 feet to a point on the northerly line of the Trampe Partition Parcel 13 and the southerly line of Spann Parcel 22 as described in Court Decree Amended Order of Partition as recorded in Book 552 at Page 63; thence along the northerly line of said Parcel 13 N90°00'00"W a distance of 302.38 feet to a point on the easterly right of way line of County Road 317 (Gothic Road); thence along said easterly right of way line

as described in deeds recorded at Reception No.474960 and 474961 the following five (5) courses:
1) S46°12'21"W a distance of 116.48 feet,
2) S35°50'27"W a distance of 185.49 feet,
3) S35°50'28"W a distance of 88.19 feet,
4) S40°05'13"W a distance of 207.37 feet,
5) S39°55'42"W a distance of 238.91 feet; thence continuing along the easterly line of said right of way and westerly line of said Trampe Partition Parcel 13, 155.77 feet along the arc of a non-tangent curve to the left having a radius of 441.28 feet, a central angle of 20°13'30" and a long chord which bears S16°19'42"W a distance of 154.96 feet to a point which is common to the southwest corner of a parcel of land described in Book 518 at Page 403; thence S00°00'04"W continuing along the easterly right of way of said County Road 317 as recorded at Reception No.00119 and in accordance with Court Decree (Judgment) recorded in Book 516 at Page 494, a distance of 117.72 feet to the Point of Beginning
Said Parcel as described above contains 10.699 acres, more or less.

All bearings shown hereon are relative to a bearing of N89°43'49"W between a GLO brass cap dated 1939 found at the southwest corner of Section 35 and a 3 ¼ inch aluminum cap stamped 18480 and dated 1995 found at the south quarter corner of Section 35.

Legal Description (Applicant Retained Lands, Easterly Portion of the Proposed West Parcel):

A portion of a parcel of land known as Tract Q of Book 516 Page 474, Parcel 13 of Book 552 Page 63, Parcel 1 of Warranty Deed recorded at Reception No. 570819, Parcel 1 of Quitclaim Deed recorded at Reception No.570822, Parcel 1 of the Correction Warranty Deed recorded at Reception No.584439, Parcel 1 of the Special Warranty Deed recorded at Reception No.612899, and the Correction Deed recorded at Reception No.618498 all located in the SW 1/4 of Section 35, Township 13 South, Range 86 W of the Sixth PM, Gunnison County, Colorado being more particularly described as follows:

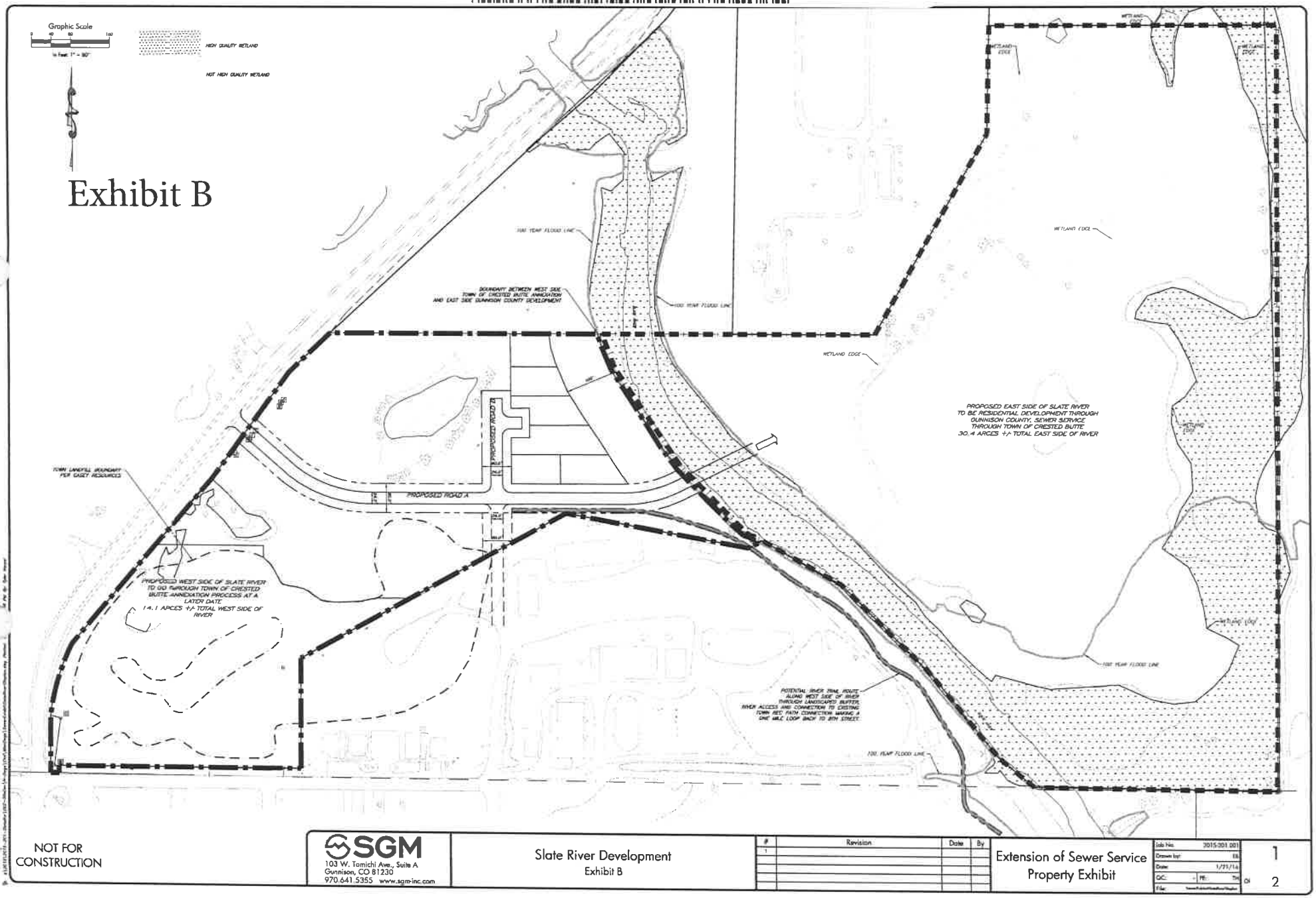
Beginning at a point the northerly line of the Dyer Subdivision as recorded at Reception No.497990, being monumented by a No.5 rebar and red plastic cap stamped LS 20133, from which the southwest corner of Section of Section 35 bears S73°09'07"W a distance of 1630.84 feet; thence N61°00'00"E approximately 31.96 feet to the high water line of the Slate River; thence more or less along the wetland boundary on the southerly bank of the Slate River the following six (6) courses:
1) N66°34'01"W a distance of 53.68 feet,
2) N42°06'22"W a distance of 87.35 feet,
3) N52°37'46"W a distance of 40.69 feet,

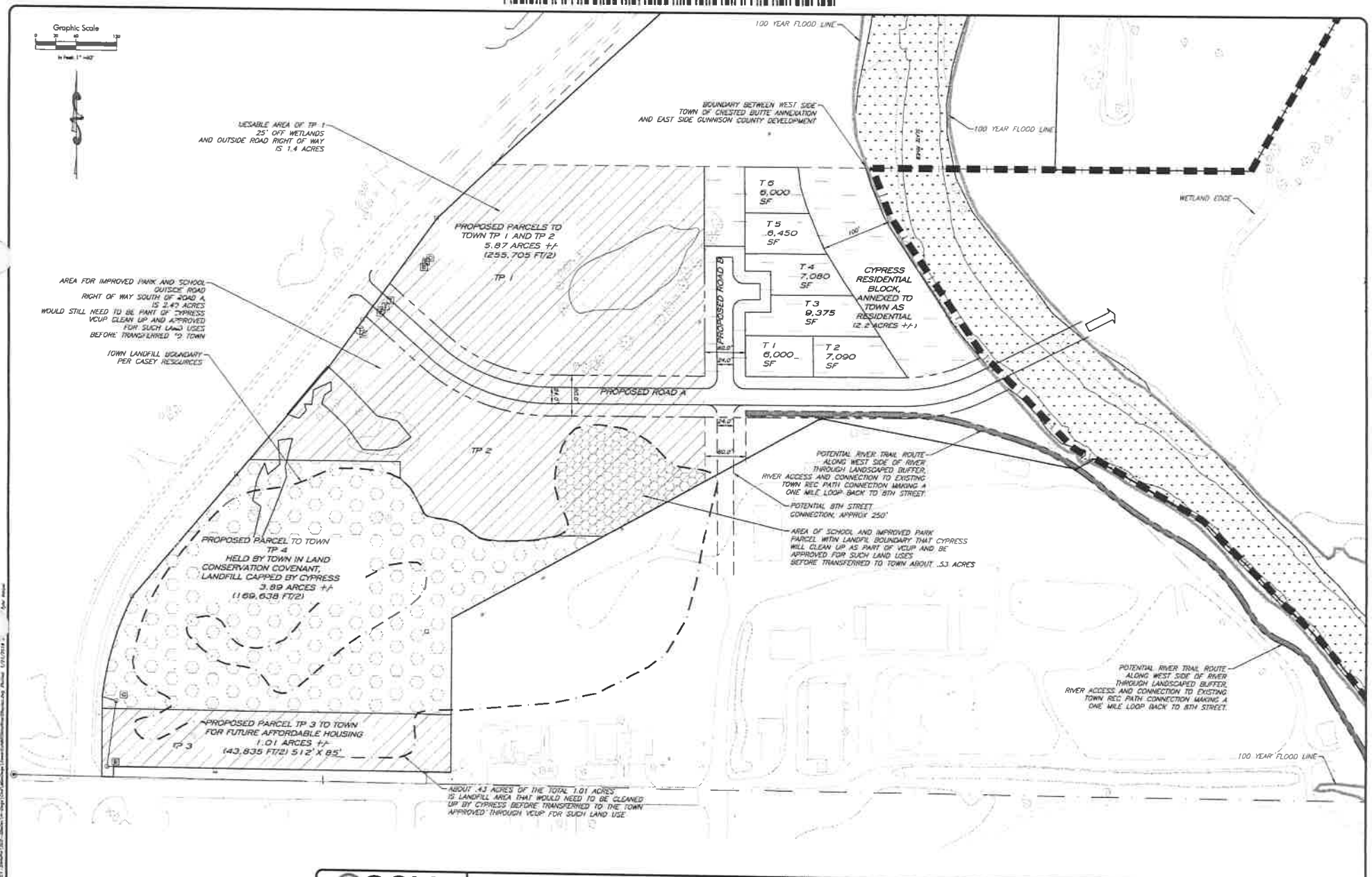
4) N39°16'35"W a distance of 115.15 feet,
5) N32°48'09"W a distance of 178.03 feet,
6) N20°36'39"W a distance of 77.30' to a point on the northerly line of the Trampe Partition Parcel 13 and the southerly line of Spann Parcel 22 as described in Court Decree Amended Order of Partition as recorded in Book 552 at Page 63; thence along the northerly line of said Parcel 13 N90°00'00"W a distance of 244.88 feet; thence departing said northerly line of said Parcel 13 S00°01'42"E a distance of 466.74 feet to a point on the northerly line of said Dyer subdivision; thence along the northerly boundary the following of said Dyer subdivision the following two (2) courses:
1) N61°00'00"E a distance of 203.77 feet
2) S79°30'09"E a distance of 381.57 feet to the point of beginning.

Said Parcel as described above contains 3.458 acres, more or less.

All bearings shown hereon are relative to a bearing of N89°43'49"W between a GLO brass cap dated 1939 found at the southwest corner of Section 35 and a 3 ¼ inch aluminum cap stamped 18480 and dated 1995 found at the south quarter corner of Section 35.

K Simillion Gunnison County, CO 638399
3/14/2016 2:30:28 PM Page 22 of 26
23 R 136.00 D 0.00


Graphic Scale
HIGH QUALITY WETLAND
NOT HIGH QUALITY WETLAND
Exhibit B
100 YEAR FLOOD LINE
BOUNDARY BETWEEN WEST SIDE TOWN OF CRESTED BUTTE ANNEXATION AND EAST SIDE GUNNISON COUNTY DEVELOPMENT
WETLAND EDGE
PROPOSED EAST SIDE OF SLATE RIVER TO BE RESIDENTIAL DEVELOPMENT THROUGH GUNNISON COUNTY, SEWER SERVICE THROUGH TOWN OF CRESTED BUTTE 30.4 ARCES +/- TOTAL EAST SIDE OF RIVER
PROPOSED ROAD B
PROPOSED ROAD A
TOWN LANDFILL BOUNDARY PER EASEY RESOURCES
PROPOSED WEST SIDE OF SLATE RIVER TO GO THROUGH TOWN OF CRESTED BUTTE ANNEXATION PROCESS AT A LATER DATE 14.1 ARCES +/- TOTAL WEST SIDE OF RIVER
POTENTIAL RIVER TRAIL ROUTE ALONG WEST SIDE OF RIVER THROUGH LANDSCAPED BUFFER, RIVER ACCESS AND CONNECTION TO EXISTING TOWN RED PATH CONNECTION MAKING A ONE MILE LOOP BACK TO 8TH STREET
NOT FOR CONSTRUCTION
SGM
103 W. Tomichi Ave., Suite A
Gunnison, CO 81230
970.641.5355 www.sgm-inc.com
Slate River Development
Exhibit B
Revision
Date
By
Extension of Sewer Service
Property Exhibit
Job No. 3015-001.001
Drawn by: EB
Date: 1/21/16
QC:
PE: TH
File:
1
2



NOT FOR CONSTRUCTION

SGM
103 W. Tomichi Ave., Suite A
Gunnison, CO 81230
970.641.5355 www.sgm-inc.com

Slate River Development
Exhibit B

#	Revision	Date	By
1			

Extension of Sewer Service
West Side Scale Up

Job No. 2015-201.001
Drawn by: EB
Date: 1/21/16
QC: PE: TH
File:

2 of 2

EXHIBIT C

1. Any facts, rights, interests, or claims thereof, not shown by the public records but that could be ascertained by an inspection of the Town Parcels or that may be asserted by persons in possession of the Town Parcels (hereinafter referred to herein as the "subject parcel").

2. Easements, liens or encumbrances, or claims thereof, not shown by the public records.

3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the subject parcel and not shown by the public records.

4. Any lien, or right to a lien, for services, labor, or materials heretofore or hereafter furnished, imposed by law and not shown by the public records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.

6. Taxes and assessments for the year when the subject parcel is conveyed, not yet due or payable.

7. RIGHT OF THE PROPRIETOR OF A VEIN OR LODE TO EXTRACT AND REMOVE HIS ORE THEREFROM, SHOULD THE SAME BE FOUND TO PENETRATE OR INTERSECT THE PREMISES HEREBY GRANTED, AND A RIGHT OF WAY FOR DITCHES OR CANALS CONSTRUCTED BY THE AUTHORITY OF THE UNITED STATES, AS RESERVED IN UNITED STATES PATENTS RECORDED NOVEMBER 30, 1885 IN BOOK 45 AT PAGE 305 AND APRIL 15, 1886 IN BOOK 45 AT PAGE 314, AS NOTED ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED JANUARY 17, 2014.

8. ANY RIGHT, TITLE AND INTEREST OF THE UNITED STATES, STATE OF COLORADO OR GENERAL PUBLIC IN THE WATER OF THE SLATE RIVER TRAVERSING A PORTION OF THE SUBJECT PROPERTY, AS NOTED ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED JANUARY 17, 2014.

9. TERMS, CONDITIONS, RESERVATIONS AND AGREEMENTS REGARDING THE RIGHT OF THE PARTIES TO CONSTRUCT DITCHES REASONABLE NECESSARY TO CONVEY WATER AS CONTAINED IN THE FINAL PARTITION OF PROPERTY RECORDED JUNE 28, 1978 IN BOOK 516 AT PAGE 474, AS NOTED ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED JANUARY 17, 2014.

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EXHIBIT C

10. THE EFFECT OF INCLUSION OF SUBJECT PROPERTY IN THE CRESTED BUTTE FIRE PROTECTION DISTRICT, AS EVIDENCED BY INSTRUMENTS RECORDED JANUARY 13, 1995, IN BOOK 758 AT PAGE 689 AND RECORDED JANUARY 13, 1995 IN BOOK 758 AT PAGE 694, AS NOTED ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED JANUARY 17, 2014.

11. RIGHT OF WAY EASEMENT, 20 FEET IN WIDTH, AS GRANTED TO ATMOS ENERGY IN INSTRUMENT RECORDED AUGUST 29, 2005 UNDER RECEPTION NO. 557487, AS SHOWN ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED JANUARY 17, 2014.

12. TERMS, CONDITIONS, RESTRICTIONS AND AGREEMENTS AS CONTAINED IN ROAD RESTRICTION AGREEMENT RECORDED JULY 12, 2006 UNDER RECEPTION NO. 566803, AS NOTED ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED JANUARY 17, 2014.

13. RIGHT OF WAY EASEMENT AS GRANTED TO GUNNISON COUNTY ELECTRIC ASSOCIATION, INC. IN INSTRUMENT RECORDED APRIL 26, 2007, UNDER RECEPTION NO. 574656, AS SHOWN ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED JANUARY 17, 2014.

14. RIGHT OF WAY EASEMENT AS GRANTED TO BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF GUNNISON, COLORADO IN INSTRUMENT RECORDED APRIL 26, 2007, UNDER RECEPTION NO. 574657, AS SHOWN ON ALTA/ACSM SURVEY (JOB NO. 2012-208.002) PREPARED BY STEPHEN L. EHLERS, PLS NO. 20133 FOR CYPRESS ACQUISITIONS, LLC OR ITS ASSIGNEE, HSUMY INC., LAND TITLE GUARANTEE COMPANY AND FIRST AMERICAN TITLE INSURANCE COMPANY, DATED JANUARY 17, 2014, LAST REVISED

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