MEMORANDUM OF AGREEMENT AND OFFER TO PURCHASE **CERTAIN REAL PROPERTY INTEREST FOR THE** 23 ROAD SEWER TRUNK EXTENSION PROJECT

This Memorandum of Agreement is made and entered into this 292 day of _______, 2019, by and between Amy R. Aragon and Michael Shane Aragon, hereinafter referred to as "Owners", and the City of Grand Junction, a Colorado home rule municipality, hereinafter referred to as "City".

RECITALS:

As the operator of the Persigo 201 Sewer System (Persigo), the City obtains easements for A. the installation, operation, maintenance, repair and replacement of sanitary sewer facilities within the 201 Persigo Boundary.

Club Deal 113/114 Park Plaza and Grand Junction, Limited Partnership (Club Deal), the Β. owner of the parcel of land located at 789 23 Road Grand Junction, Colorado and the subdivided land known as a Replat of Twenty Three Park Plaza Filing No. One has informed the City that it intends to develop its land in 2019/2020. The development will need to connect to the Persigo 201 Sewer System (Persigo).

The connection to Persigo is planned to occur with a trunk extension line from 23 Road to C. Club Deal's property. Based on the design for the sewer line trunk extension, an easement is needed from Grand Valley Irrigation Company. Negotiations began for this easement, but are not complete. If an agreement is not reached, then a court action may be instituted.

The City is in discussions with Club Deal for participating together in the extension of the D. line. If all necessary easements are granted to the City for the sewer line extension, if Club Deal develops its land, and the City reaches an agreement with Club Deal for the installation and expense of the sewer line extension, then the City intends to install the sewer line within the easements in the Bookcliff Ranches-Phase II subdivision in 2019-2022. All costs associated with the installation of the Project's improvements and associated infrastructure will be borne by the City if the Project is constructed in 2019-2022 (Project).

The Owners own a tract of land included within the Project area located in the 201 Persigo F. Boundary, in the County of Mesa, State of Colorado, and more particularly described as Lot 9, Block Three, Bookcliff Ranches-Phase II, Plat Book 18, Pages 19 and 20, said parcel recorded with Reception Number 1967574, Public Records of Mesa County, Colorado, referred to as "Owners' Property".

To accommodate the installation of the Project improvements, the City is acquiring from F. Owners the following:

A Sanitary Sewer Easement for the use and benefit of the Persigo 201 Sewer System for the installation, operation, maintenance, repair and replacement of sanitary sewer facilities, on, along, over, under, through and across Owners' Property containing a total of 10,271 square feet as defined and depicted on Exhibit "A" attached hereto and incorporated herein by reference.

The above-stated interest in land is necessary for the Project. The parties desire to reach G. a settlement for the sale and purchase of the above stated parcel(s) through good faith negotiations. In consideration of the foregoing, the City is offering to pay to the Owners the following sum of money as just compensation for the above stated parcel(s):

Plus Damages: Negotiated amount:

Sanitary sewer easement 10,271 sq. ft. @ \$1.50 per sq. ft. x 50% = \$ 7,703.25 No Damages Identified -0-= \$ Addresses Owners' additional concerns

regarding increase in plant investment fees and/or trunk extension fee = \$ 2,137.00 Less Special Benefits = \$ <u>not measured</u>

Total Offer of Just Compensation = \$ 9,840.25

The City pays fair market value but understands that, in some circumstances, it could be advantageous to the Owners to benefit from a tax donation, therefore, choose one of the following:

We, as Owners of that certain real property referenced above, wish to donate said property and to receive a receipt of said donation indicating fair market value:

Please check if choosing donation option.

or -

We, as Owners of that certain real property as referenced above, wish to receive just compensation indicating fair market value:

Please check if choosing payment option.

NOW, THEREFORE, based on the recitals above and in consideration of their mutual promises and other valuable consideration, the receipt and adequacy of which are acknowledged, the parties hereto agree as follows:

Owners hereby accept the City's offer for just compensation, and the City hereby agrees to 1. pay the just compensation, subject to the promises, terms, covenants and conditions of this Agreement.

The just compensation hereinabove agreed upon shall be paid by the City to the Owners 2. upon the execution and delivery by the Owners to the City as determined by the City: (a) one (1) fully executed original of this Memorandum of Agreement; (b) one (1) good and sufficient Grant of a Sanitary Sewer Easement for the use and benefit of the Persigo 201 Sewer System; and (c) completed and executed Federal form W-9 by Owners or a fully executed Real Property Donation form, if chosen. A good and sufficient granting document shall include, but is not limited to a document signed by Owners and any other party having an interest in Owners' Property through means of a deed of trust, lien, or otherwise, unless the other party having interest provides another document acceptable to the City.

Owners agrees that the just compensation agreed upon between Owners and the City shall 3. fully compensate the Owners for its interests in and to the above-stated parcel(s), either present or future, and the interests of all lienors and lessees of the Owners, and any and all interests, legal or equitable, which are or may be outstanding, including, but not limited to, obtaining the consent of and/or paying all or any portion of the above-stated compensation for the following beneficiaries:

that certain Deed of Trust dated October 12, 2017 and recorded on 12/15/2017, in the office of the Mesa County Clerk and Recorder, Reception No. 2824458 for the benefit of Quicken Loans Inc. and Mortgage Electronic Registration Systems, Inc. as nominee for Quicken Loans Inc.

As a part of the Project, the City agrees to, at the City's sole cost and expense, reasonably 4. repair and restore those portions of Owners' Property affected or damaged by the City's construction activities and to return said affected areas to Owners in a condition reasonably approximate to that which existed prior to entry by the City.

City Council has approved a budget to accommodate the Project in 2019. If the Project is 5. not completed in 2019, then the Project being completed is subject to City Council appropriating budget dollars to cover the cost of the Project. If this Project is not completed by the City as described, then any future sewer installment/construction is separate and apart and not included

as a part of this Agreement. Owners will be subject to all costs included in a future sewer improvement district and/or otherwise required to connect to the sewer.

6. The signing of this Agreement by the parties hereto hereby grants possession of the above-stated parcel(s) to the City and shall serve as an irrevocable license to use said parcel(s) for the purposes aforedescribed until the Owners execute and deliver to the City the appropriate documents as stated in paragraph 2 above.

7. This Memorandum of Agreement and the Grant of Sanitary Sewer Easement embody the complete agreements between the parties hereto and cannot be changed or modified except by a written instrument subsequently executed by both parties. This Agreement and the terms and conditions hereof apply to and are binding upon the successors and authorized assigns of both parties.

8. This Memorandum of Agreement shall be deemed a contract extending to and binding upon the parties hereto and upon their respective successors and assigns.

9. This is a legal instrument. The City recommends Owners seek the advice of their own legal and tax counsel before signing this Memorandum of Agreement.

Dated the day and year first above written.

Owners:

Michael Shane Aragon

City of Grand Junction, a Colorado home rule municipality

By: Greg Caton, City Manager

GRANT OF SANITARY SEWER EASEMENT 759 GOLDENROD COURT "EXHIBIT A"

Amy R. Aragon and Michael Shane Aragon, Grantors, whose address is 759 Goldenrod Court, Grand Junction, CO 81505, who are the owners of the following described real property in Mesa County, Colorado:

Lot 9, Block Three, Bookcliff Ranches-Phase II, Plat Book 18, Pages 19 and 20, said parcel recorded with Reception Number 2306052, Public Records of Mesa County, Colorado

for and in consideration of the sum of Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted and conveyed, and by these presents do hereby grant and convey to the **City of Grand Junction, a Colorado home rule municipality, Grantee**, whose address is 250 N. 5th Street, Grand Junction, CO 81501, for the use and benefit of the Persigo 201 Sewer System, a Perpetual Easement for the installation, operation, maintenance, repair and replacement of sanitary sewer facilities, on, along, over, under, through and across the following described parcel of land, to wit:

A certain parcel of land lying in the Northeast Quarter (NE1/4) of Section 31, Township 1 North, Range 1 West of the Ute Principal Meridian and lying entirely within Lot 9, Block Three, Bookcliff Ranches-Phase II, as same is recorded in Plat Book 18, Pages 19 and 20, Public Records of Mesa County, Colorado, being more particularly described as follows:

COMMENCING at the Southeast corner of said Lot 9, (said Southeast corner lying on the North right of way for Interstate 70) Bookcliff Ranches-Phase II and assuming the East line of said Lot 9 bears N 57°47'14" E with all other bearings contained herein being relative thereto; thence from said Point of Commencement, N 00°20'11" E, along an Easterly line of said Lot 9, a distance of 20.06 feet; thence N 85°25'02" W, a distance of 17.53 feet to the POINT OF BEGINNING; thence from said Point of Beginning, N 57°47'14" E, along the East line of said Lot 9, a distance of 505.24 feet to a point being the beginning of a 48.00 foot radius curve, concave Northeast, whose long chord bears N 23°09'32" W with a long chord length of 20.25 feet; thence Northwesterly along the arc of said curve, thru a central angle of 24°21'27", an arc length of 20.41 feet; thence S 57°47'14" W, along a line 20.00 feet North of and parallel with, the East line of said Lot 9, a distance of 518.33 feet; thence S 40°20'32" E, a distance of 14.24 feet; thence S 85°25'02" E, a distance of 9.86 feet, more or less, to the Point of Beginning.

Said easement contains 10,271 Square Feet or 0.236 Acres, more or less, as described herein and depicted on **"Exhibit A"**, attached hereto and incorporated herein by reference.

TO HAVE AND TO HOLD unto the said Grantee, its successors and assigns forever, together with the right to enter upon said premises with workers and equipment, to survey, maintain, operate, repair, replace, control and use said Easement, and to remove objects interfering therewith, including the trimming of trees and bushes as may be required to permit the operation of standard construction and repair machinery, subject to the terms and conditions contained herein.

The interest conveyed is an easement for the purposes and uses and upon the terms stated herein. Grantors reserve the right to use and occupy the real property burdened by this Easement for any lawful purpose which is not inconsistent with and which will not substantially interfere with the full use and quiet enjoyment of the rights herein granted. Grantors will not install on the Easement, or permit the installation on the Easement, of any building, structure, improvement, retaining wall, sidewalk, patio, tree or other landscaping, other than the usual and customary grasses and other ground cover. In the event such obstacles are installed in the Easement, the City has the right to require the Grantors to remove such obstacles from the Easement at Grantors' cost. If Grantors do not remove such obstacles, the City may remove such obstacles without any liability or obligation for repair and replacement thereof, and charge the Grantors the City's costs for such removal. If the City chooses not to remove the obstacles, the City will not be liable for any damage to the obstacles or any other property to which they are attached.

SHEET 4 OF 6

The foregoing description was prepared by Peter T. Krick, 250 N 5th St, G.J. CO

The Easement shall be for the use and benefit of Grantee, its members, employees, agents and contractors or any of its successors in title or interest, and the public for sanitary sewer and related facilities purposes. Grantors hereby covenant with Grantee that they have good title to the herein described premises; that they have good and lawful right to grant this Easement; that they will warrant and forever defend the title and guiet possession thereof against the lawful claims and demands of all persons whomsoever. Executed and delivered this _____ day of _____, 2019, by Amy R. Aragon and Michael Shane Aragon. Amy R. Aragon Michael Shane Aragon State of Colorado))ss. County of Mesa) The foregoing instrument was acknowledged before me this _____ day of ____, 2019, by Amy R. Aragon and Michael Shane Aragon. My commission expires Witness my hand and official seal. Notary Public Ratified, consented to subordination of interest, and acknowledged by the following Deed of Trust Beneficiaries: The undersigned hereby certifies that it is a holder of a security interest upon the above described property and does hereby join in and consent to this grant of sanitary sewer easement by the owners thereof and agrees that its security interest as nominee for Quicken Loans, Inc., a Michigan Corporation, which is evidenced by that Deed of Trust dated October 12, 2017 and recorded on 12/15/2017, in the office of the Mesa County Clerk and Recorder, Reception No. 2824458, shall be and is hereby subordinate to this grant of sanitary sewer easement to the City of Grand Junction. Mortgage Electronic Registration Systems, Inc. ratifies, consents to subordination of interest, and acknowledges the foregoing grant of sanitary sewer easement: Mortgage Electronic Registration Systems, Inc. As nominee for Quicken Loans, Inc. By: Print Name:_____ Print Title: State of _____))ss County of ___ The foregoing instrument was ratified, consented to subordination of interest, and acknowledged by __ , as for Mortgage Electronic Registration System, Inc., as nominee for Quicken Loans, Inc., before me this ____ day of _____, 2019. My commission expires Witness my hand and official seal. Notary Public SHEET 5 OF 6

