

AIG01GMC

TYPE OF RECORD: PERMANENT

CATEGORY OF RECORD: **DEVELOPMENT IMPROVEMENTS AGREEMENT**

NAME OF APPLICANT OR DEVELOPER: AIG BAKER GRAND JUNCTION, L.L.C., A
DELAWARE LIMITED LIABILITY COMPANY

PROJECT/SUBDIVISION: GRAND MESA CENTER

LOCATION: HIGHWAY 6&50, WEST MESA COURT AND LOTS 2, 3, 4 AND 5
2464 HIGHWAY 6 & 50

PARCEL NO.:

FILE NO.: FPP-2001-087

CITY DEPARTMENT: COMMUNITY DEVELOPMENT

YEAR: 2001

EXPIRATION DATE: NONE

DESTRUCTION DATE: NONE

DEVELOPMENT IMPROVEMENTS AGREEMENT

1. **Parties:** The parties to this Development Improvements Agreement ("the Agreement" or "Agreement") are **AIG BAKER GRAND JUNCTION, L.L.C.**, a Delaware limited liability company ("the Developer") and **THE CITY OF GRAND JUNCTION, Colorado** ("the City" or "City").

FOR valuable consideration, the receipt and adequacy of which is acknowledged, the Parties agree as follows:

2. **Effective Date:** The Effective Date of the Agreement will be the date that this agreement is signed which shall be no sooner than recordation of the final plat or final plan approval whichever first occurs.

RECITALS

The Developer seeks permission to develop property within the City to be known as GRAND MESA CENTER, which property is more particularly described on Exhibit A attached and incorporated by this reference ("the Property" or "Property"). The City seeks to protect the health, safety and general welfare of the community by requiring the completion of various improvements in the Property and limiting the harmful effects of substandard developments. The purpose of this Agreement is to protect the City from the cost of completing necessary improvements itself and is not executed for the benefit of materialmen, laborers, or others providing work, services or material to the Developer and/or the Property or for the benefit of the owners, purchasers or users of the Property. The mutual promises, covenants, and obligations contained in this Agreement are authorized by state law, the Colorado Constitution and the City's land development ordinances.

DEVELOPER'S OBLIGATION

3. **Improvements:** The Developer will design, construct and install, at its own expense, those on-site and off-site improvements listed on Exhibit B attached and incorporated by this reference ("the Improvements" or "Improvements"). The Developer agrees to pay the City for inspection services performed by the City, in the approximate amounts shown on Exhibit B. The hourly rate of "in-house" City inspection services is \$45.00 per hour. The scope of this project is such that the City may have to engage independent consultant(s) to adequately provide inspection services; Developer agrees to pay such costs, in addition to all others for which Developer is responsible hereunder. The Developer's obligation to complete the improvements is and will be independent of any obligations of the City contained herein.

4. **Security:** To secure the performance of its obligations under this Agreement the Developer shall supply a letter of credit or a guarantee in a form as attached hereto as Exhibit C and with terms acceptable to the City.

5. **Standards:** The Developer shall construct the Improvements according to the standards and specifications required by the City Engineer or as adopted by the City in its Final Decision for Grand Mesa Center FPP-2001-087.

07/11/01

6. **Warranty:** The Developer warrants that the Improvements, each and every one of them, will be free from defects for a period of twelve (12) months from the date that the City Engineer accepts or approves the last Improvement completed by the Developer.

7. **Commencement, Completion and Abandonment Periods:** The Developer will commence work on the Improvements within 14 days from the Effective Date of this Agreement (July 26, 2001) ("the Commencement Period") and the Improvements, each and every one of them, shall be completed by the end of the eighteenth (18th) month from the Effective Date of this Agreement (January 26, 2003) (the "Completion Period"). The Developer shall not cease construction activities for any period of more than 60 consecutive days ("the Abandonment Period").

8. **Compliance with Law:** The Developer shall comply with all applicable federal, state and local laws, ordinances and regulations in effect at the time of final approval when fulfilling its obligations under this Agreement. When necessary to protect the public health, safety, or welfare, the Developer shall be subject to laws, ordinances, and regulations that become effective after final development approval.

9. **Notice of Defect:** The Developer's Engineer shall provide timely notice to the Developer, contractor, issuer of security and the City Engineer whenever inspection reveals, or the Developer's Engineer otherwise has knowledge, that an improvement does not conform to City standards and any specifications approved in the development application or is otherwise defective. The Developer will have thirty (30) days from receipt of such notice to correct the defect. The City may grant reasonable extensions.

10. **Acceptance of Improvements:** The City's final acceptance and/or approval of Improvements will not be given or obtained until the Developer presents a document or documents, for the benefit of the City, showing that the Developer owns the Improvements in fee simple or as accepted by the City Attorney and that there are no liens, encumbrances or other restrictions other than those that have been accepted by the City Attorney on the Improvements, except for those Improvements that are located on property to which Developer will continue to own fee title. Approval and/or acceptance of any Improvements does not constitute a waiver by the City of any rights it may have on account of any defect in or failure of the Improvement that is detected or which occurs after approval and/or acceptance.

11. **Reduction of Security:** After the acceptance of any Improvement, the amount which the City is entitled to draw on the letter of credit or guarantee will be reduced by an amount equal to 90 percent of the estimated cost of such Improvement as shown in Exhibit B. At such time, Developer may substitute the letter of credit with a cash guarantee (i.e. cash deposit with the City, disbursement agreement with the City, or some other form of guarantee to which the City could gain access in the event of default) or vice versa so long as it is in a form acceptable to and approved by the City. At the written request of the Developer, the City will execute a certificate verifying the acceptance of the Improvement and waiving its right to draw on the letter of credit or guarantee to the extent of such amount. A Developer in default under this Agreement will have no right to such certification. Upon the acceptance of all of the Improvements the remaining balance

that may be drawn under the letter of credit or guarantee shall be available to the City for ninety (90) days after the expiration of the warranty period.

12. **Use of Proceeds:** The City will use funds deposited with it, drawn or guaranteed pursuant to any written agreement entered into between the parties only for the purpose of completing the Improvements or correcting defects in or failure of the Improvements.

13. **Events of Default:** The following conditions, occurrences or actions will constitute a default by the Developer during the Completion Period:

- a. Developer's failure to complete each portion of the Improvements in conformance with the time schedule provided in paragraph number seven (7.), above;
- b. Developer's failure to demonstrate reasonable intent to correct defective construction of any Improvement within the applicable correction period;
- c. Developer's insolvency, the appointment of a receiver for the Developer or the filing of a voluntary or involuntary petition in bankruptcy respecting the Developer; in such event the City may immediately declare a default without prior notification to the Developer;
- d. Notification to the City, by any lender with a lien on the property, of a default on an obligation; the City may immediately declare a default without prior notification to the Developer;
- e. Initiation of any foreclosure action of any lien or initiation of mechanics lien(s) procedure(s) against the Property or a portion of the Property or assignment or conveyance of the Property in lieu of foreclosure; the City may immediately declare a default without prior notification to the Developer.

Unless specifically provided herein, the City may not declare a default until fourteen (14) days prior written notice has been sent to the Developer at the address on file with the development application. Notice is and shall be deemed effective four (4) calendar days after mailing thereof by first class United States mail, postage prepaid.

14. **Measure of Damages:** The measure of damages for breach of this Agreement by the Developer will be the reasonable cost of satisfactorily completing the Improvements plus reasonable City administrative expenses. Administrative expenses may include but are not limited to contracting costs, collection costs and the value of planning, engineering, legal and administrative staff time devoted to the collection/completion of the Improvements. For Improvements upon which construction has not begun, the estimated costs of the Improvements as shown on Exhibit B will be *prima facie* evidence of the minimum cost of completion, however, neither that amount or the amount of a letter of credit, the subdivision improvements disbursement agreement or cash escrow or other guarantee necessarily establish the maximum amount of the Developer's liability.

15. **City's Rights Upon Default:** When any event of default occurs, the City may draw on the letter of credit, escrowed collateral, or proceed to collect any other security to the extent of the face amount of the credit or full amount of escrowed collateral, cash, or security less ninety percent (90%) of the estimated cost (as shown on Exhibit B) of all Improvements previously accepted by the City or may exercise its rights to disbursement of loan proceeds or other funds under the improvements disbursement agreement. The City will have the right to complete Improvements itself or it may contract with a third party for completion, and the Developer grants to the City, its successors, assigns, agents, contractors, and employees, a nonexclusive right and easement to enter the Property for the purposes of constructing, reconstructing, maintaining and repairing such Improvements. Alternatively, the City may assign the proceeds of the letter of credit, the improvements disbursement agreement, the escrowed collateral, cash, or other funds or assets to a subsequent developer (or lender) who has acquired the Property by purchase, foreclosure or otherwise who will then have the same rights of completion as the City if and only if the subsequent developer (or lender) agrees in writing to complete the unfinished Improvements and provides to the City reasonable security for the obligation. In addition if the Developer is in default, the City may also enjoin the sale, transfer, or conveyance of lots within the development, until the Improvements are completed or accepted. These remedies are cumulative in nature and are in addition to any other remedies the City has at law or in equity.

16. **Indemnification:** The Developer expressly agrees to indemnify and hold the City, its officers, employees, agents and assigns harmless from and against all claims, costs and liabilities of every kind and nature, for injury or damage received or sustained by any person or entity in connection with, or on account of the performance or non-performance of work at the Property or the Property being developed pursuant to this Agreement by Developer or its contractors or employees. The Developer further agrees to aid and defend the City in the event that the City is named as a defendant in an action concerning the performance or non-performance of work pursuant to this Agreement. The Developer further agrees to aid and defend the City in the event that the City is named as a defendant in an action concerning the performance of work pursuant to this Agreement except where such suit is brought by the Developer against the City. The Developer is not an agent or employee of the City.

17. **No Waiver:** No waiver of any provision of this Agreement by the City will be deemed or constitute a waiver of any other provision, nor will it be deemed or constitute a continuing waiver unless expressly provided for by a written amendment to this Agreement signed by both the City and the Developer; nor will the waiver of any default under this Agreement be deemed a waiver of any subsequent default or defaults of the same type. The City's failure to exercise any right under this Agreement will not constitute the approval of any wrongful act by the Developer or the acceptance of any Improvement.

18. **Amendment or Modification:** The parties to this Agreement may amend or modify the Agreement only by written instrument executed on behalf of the City by the City Manager or his designee and by the Developer or its authorized officer. Such amendment or modification shall be properly notarized before it may be deemed effective.

19. **Attorney's Fees:** Should either party be required to resort to litigation to enforce the terms of this Agreement, the prevailing party, plaintiff or defendant, will be entitled to costs,

including reasonable attorney's fees and expert witness fees, from the opposing party. If relief is awarded to both parties, the attorney's fees may be equitably divided between the parties by the decision maker.

20. **Vested Rights:** The City does not warrant by this Agreement that the Developer is entitled to any other approval(s) required by the City, if any, before the Developer is entitled to commence development or to transfer ownership of the Property being developed.

21. **Integration:** This Agreement, together with the exhibits and attachments thereto constitutes the entire agreement between the parties and no statement(s), promise(s) or inducement(s) that is/are not contained in this Agreement will be binding on the parties.

22. **Third Party Rights:** No person or entity who or which is not a party to this Agreement will have any right of action under this Agreement.

23. **Time:** For the purpose of computing the Abandonment and Completion Periods, and time periods for City action, such times in which war, civil disasters, or acts of God occur or exist will not be included if such times prevent the Developer or City from performing its obligations under the Agreement.

24. **Severability:** If any part, term, or provision of this Agreement is held by a court or courts of competent jurisdiction to be illegal or otherwise unenforceable, such illegality or unenforceability will not affect the validity of any other part, term, or provision and the rights of the parties will be construed as if the part, term, or provision was never part of the Agreement.

25. **Benefits:** The benefits of this Agreement to the Developer are personal and may not be assigned without the express written approval of the City. Such approval may not be unreasonably withheld, but any unapproved assignment is void. Notwithstanding the foregoing, the burdens of this Agreement are personal obligations of the Developer and also will be binding on the heirs, successors and assigns of the Developer and shall be a covenant(s) running with the Property. There is no prohibition on the right of the City to assign its rights under this Agreement. The City will expressly release the original Developer's guarantee or obligations if it accepts new security from any developer or lender who obtains the Property, however, no other act of the City will constitute a release of the original Developer from his liability under this Agreement. When the Improvements are completed and approved by the City, the City agrees to state same in writing, with appropriate acknowledgments. The City will sign a release only after all warranty periods, as extended by litigation, repair or alteration work, have expired.

26. **Notice:** Any notice required or permitted by this Agreement will be deemed effective four (4) calendar days after deposit with the United States Postal Service, first class, postage prepaid and addressed as follows:

If to Developer: AIG Baker Grand Junction, L.L.C.
 1701 Lee Branch Lane
 Birmingham, Alabama 35242
 Attention: Alex D. Baker

With Copy to: Legal Department
AIG Baker Shopping Center Properties, L.L.C.
1701 Lee Branch Lane
Birmingham, Alabama 35242

If to City: City of Grand Junction
Community Development Director
250 N. 5th Street
Grand Junction, Colorado 81501

27. **Recordation:** Developer will pay for all costs to record this Agreement or a Memorandum thereof in the Clerk and Recorder's Office of Mesa County, Colorado.

28. **Immunity:** Nothing contained in this Agreement constitutes a waiver of the City's sovereign or other immunity under any applicable law.

29. **Personal Jurisdiction and Venue:** Personal jurisdiction and venue for any action commenced by either party to this Agreement whether arising out of or relating to the Agreement, letter of credit, improvements disbursements agreement, or cash escrow agreement or any action to collect security will be deemed to be proper only if such action is commenced in Mesa County, Colorado. The Developer expressly waives his right to bring such action in or to remove such action to any other court whether state or federal.

30. a. **Conditions of Acceptance:** The City shall have no responsibility or liability with respect to any street, or other improvement(s), notwithstanding the use of the same by the public, unless the street or other improvements shall have been finally accepted by the City.

b. **Phased Development:** If the City allows a street to be constructed in stages, the Developer of the first one-half street opened for traffic shall construct the adjacent curb, gutter and sidewalk in the standard location and shall construct the required width of pavement from the edge of gutter on his side of the street to enable an initial two-way traffic operation without on-street parking. That Developer is also responsible for end-transitions, intersection paving, drainage facilities, and adjustments to existing utilities necessary to open the street to traffic.

c. Prior to requesting final acceptance of any street, storm drainage facility, or other required improvement(s), the Developer shall: (i) furnish to the City engineer as-built drawings in reproducible form, blueline stamped and sealed by a professional engineer and in computer disk form and copies of results of all construction control tests required by City specification; (ii) provide written evidence to the City Engineer under signature of a qualified expert that the earth, soils, lands and surfaces upon, in and under which the improvements have been constructed, or

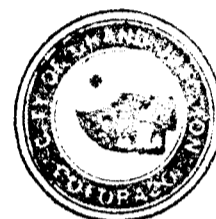
which are necessary for the improvements, are free from toxic, hazardous or other regulated substances or materials: (iii) provide written evidence to the City Attorney that the title to lands underlying the improvements are free and clear from all liens and encumbrances, except those items and encumbrances which may be approved in writing by the City Attorney.

City of Grand Junction
250 North Fifth Street
Grand Junction CO 81501

BN Pat Cui 7/19/01
Director of Community Development date

Attest:

Stephanie Nye 7/19/01
City Clerk date



Signature Page of Developer on Following Page.

Signature Page of Developer
Development Improvements Agreement
Grand Junction, Colorado

AIG BAKER GRAND JUNCTION, L.L.C.,
A Delaware limited liability company

By: AIG Baker Shopping Center Properties, L.L.C.,
Its sole member

By: W. Ernest Moss

Name (printed): W. Ernest Moss

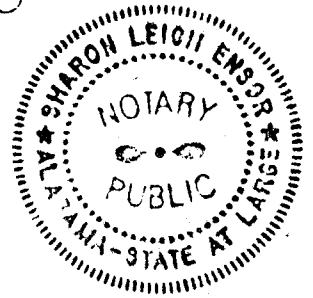
Its (position): Executive Vice President

STATE OF ALABAMA)
)ss
COUNTY OF SHELBY)

The foregoing instrument was acknowledged before me this 11th day of July, 2001, by W. Ernest Moss, the Executive Vice President of AIG Baker Shopping Center Properties, L.L.C., the sole member of AIG Baker Grand Junction, L.L.C.

My commission expires: January 2, 2002
Witness my hand and official seal.

Sharon Leigh Enzor
Notary Public



TYPE LEGAL DESCRIPTION BELOW, USING ADDITIONAL SHEETS AS NECESSARY.
USE SINGLE SPACING WITH A ONE INCH MARGIN ON EACH SIDE.

EXHIBIT A

A parcel of land situated in the S1/2 NE1/4 and the NE1/4 SE1/4 of Section 9, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado, being more particularly described as follows:

Beginning at the Northwest corner of Lot 5 of Twenty-Five Road Subdivision, the plat of which is on file with the Mesa County Clerk and Recorder at Reception No. 1173938; whence the Mesa County Survey marker for the North one sixteenth corner on the East line of said Section 9 bears North 00°06'59" East, a distance of 4.87 feet and North 89°53'01" East, a distance of 1313.82 feet, (bearings based on South 00°05'45" East between said North one-sixteenth corner and the Mesa County Survey marker for the East one-quarter corner of said Section 9);
Thence along the North line of said Lot 5, North 89°58'55" East, a distance of 395.57 feet to the Westerly right-of-way line of West Mesa Court;
Thence along said right-of-way line, South 00°01'05" East, a distance of 60.00 feet;
Thence along said right-of-way line, 188.50 feet along the arc of a 60.00 foot radius tangent curve to the left, through a central angle of 180°00'00", with a chord bearing North 89°58'55" East, a distance of 120.00 feet;
Thence along said right-of-way line, radial to said curve, North 89°58'55" East, a distance of 358.51 feet to the Northeast corner of Lot 3 of said Twenty-Five Road Subdivision;
Thence South 00°05'31" East, a distance of 379.64 feet to the Southeast corner of said Lot 3;
Thence along the South line of said Twenty-five Road Subdivision, North 89°54'15" East, a distance of 119.55 feet;
Thence South 00°10'17" East, a distance of 135.77 feet to the North line of Lot 1 of Kenwood Grove Condominium, the plat of which is on file with the Mesa County Clerk and Recorder at Reception No. 1878326;
Thence along said North line, South 89°56'39" West, a distance of 89.88 feet to the Northwest corner of said Kenwood Grove Condominium;
Thence South 00°05'35" East, a distance of 199.35 feet to the Northerly line of a parcel of land described in 2244 at Page 560.

Thence along the Northerly line of said parcel of land, North 89°52'15" East, a distance of 164.99 feet;
Thence along the Northerly line of said parcel of land, North 00°07'45" West, a distance of 32.00 feet;
Thence along the Northerly line of said parcel of land, North 89°52'15" East, a distance of 215.00 feet;
Thence along the Easterly line of said parcel of land, South 00°05'45" East, a distance of 295.60 feet;
Thence along the Southerly line of said parcel of land, South 89°52'19" West, a distance of 636.12 feet;
Thence along the Southerly line of said parcel of land, South 00°19'26" West, a distance of 214.41 feet;
Thence along the Southerly line of said parcel of land, South 28°30'15" West, a distance of 137.03 feet to the Northerly right-of-way line of State Highway 6&50 (aka I-70 Business Loop);
Thence along said right-of-way line, North 61°27'45" West, a distance of 656.57 feet;
Thence along said right-of-way line 386.67 feet along the arc of a 5630.00 foot radius tangent curve to the right, through a central angle of 3°56'06", with a chord bearing North 59°29'42" West, a distance of 386.60 feet to a point of cusp;
Thence departing said right-of-way line, North 33°04'15" East, a distance of 504.42 feet;
Thence North 89°54'15" East, a distance of 52.55 feet to the West line of Lot 5 of said Twenty-Five Road Subdivision;
Thence North 00°05'31" West, a distance of 440.67 feet to the Point of Beginning.

Containing 1244531 square feet, or 28.571 Acres, more or less.

EXHIBIT "B"
GRAND MESA CENTER
HIGHWAY 6&50, WEST MESA COURT AND LOTS 2, 3, 4 AND 5
 ENGINEERS OPINION OF COST

DATE: 0706/2001
 NAME OF DEVELOPER: AIG BAKER

PRINTED NAME OF PERSONS PREPARING: JIM LANGFORD

HIGHWAY 6&50
CONSTRUCTION COST ESTIMATE:

| Highway 6&50 Road Grading and Paving | | UNITS | QUANTITY | UNIT PRICE | TOTAL PRICE |
|--------------------------------------------------|----------------------------------------|-------|----------------------------|--------------|---------------------|
| 1 | Unclassified Excavation | | (Include in Frontage Road) | | |
| 2 | Unclassified Embankment | | (Include in Frontage Road) | | |
| 3 | 16"Class 6 Aggregate Base Course | SY | 547 | \$10.00 | \$5,470.00 |
| 4 | 6"Class 6 Aggregate Base Course | SY | 14 | \$4.75 | \$66.50 |
| 5 | 4" Class 6 Aggregate Base Course | SY | 9 | \$3.50 | \$31.50 |
| 6 | 5" Asphalt (Grading C) | SY | 1,231 | \$10.50 | \$12,925.50 |
| 7 | 2.0' Vertical Curb and Gutter | LF | 41 | \$11.00 | \$451.00 |
| 8 | 9.0' Vertical Curb Gutter and Sidewalk | LF | 30 | \$30.00 | \$900.00 |
| 9 | Handicap ramps | SY | 29 | \$35.00 | \$1,015.00 |
| 10 | Traffic Signal | LS | 1 | \$120,000.00 | \$120,000.00 |
| 11 | Remove Sign | EA | 2 | \$50.00 | \$100.00 |
| 12 | Right Lane Must Turn Right Sign | EA | 1 | \$150.00 | \$150.00 |
| 13 | Removal and Dispose Asphalt | SY | 4,730 | \$3.50 | \$16,555.00 |
| 14 | Remove Existing Pavement Markings | LF | 2,050 | \$0.50 | \$1,025.00 |
| 15 | Pavement Marking Paint | GAL | 20 | \$55.00 | \$1,100.00 |
| 16 | Traffic Control | LS | 1 | \$8,000.00 | \$8,000.00 |
| Total Highway 6&50 Construction Costs | | | | | \$167,789.50 |

TOTAL HIGHWAY 6&50 CONSTRUCTION COSTS: \$167,789.50

FRONTAGE ROAD
CONSTRUCTION COST ESTIMATE:

| Frontage Road Grading and Paving | | UNITS | QUANTITY | PRICE | PRICE |
|---------------------------------------------------|----------------------------------------|-------|----------|---------|---------------------|
| 1 | Unclassified Excavation | CY | 3,737 | \$3.00 | \$11,211.00 |
| 2 | Unclassified Embankment | CY | 1,137 | \$4.50 | \$5,116.50 |
| 3 | 11"Class 6 Aggregate Base Course | SY | 2,119 | \$6.50 | \$13,773.50 |
| 4 | 6"Class 6 Aggregate Base Course | SY | 125 | \$4.75 | \$593.75 |
| 5 | 4" Class 6 Aggregate Base Course | SY | 119 | \$3.50 | \$416.50 |
| 6 | 4" Asphalt (Grading C) | SY | 2,119 | \$8.50 | \$18,011.50 |
| 7 | 2.0' Vertical Curb and Gutter | LF | 1,424 | \$11.00 | \$15,664.00 |
| 8 | 1.5' Vertical Curb and Gutter | LF | 84 | \$9.50 | \$798.00 |
| 9 | 7.0' Vertical Curb Gutter and Sidewalk | LF | 1,034 | \$13.00 | \$13,442.00 |
| 10 | 9' Vertical Curb Gutter and Sidewalk | LF | 219 | \$17.00 | \$3,723.00 |
| 11 | Radii, Aprons, Pans and Handicap ramps | SY | 624 | \$35.00 | \$21,840.00 |
| Sub-Total Frontage Road Paving and Grading | | | | | \$104,589.75 |

| Storm Drainage: | | UNITS | QUANTITY | UNIT PRICE | TOTAL PRICE |
|----------------------------------|-------------------------------------------------|-------|----------|------------|---------------------|
| 1 | Storm Sewer Manholes | EA | 11 | \$2,200.00 | \$24,200.00 |
| 2 | Standard Curb Opening Inlets | EA | 7 | \$1,500.00 | \$10,500.00 |
| 3 | 24" HDPE Pipe | LF | 233 | \$34.00 | \$7,922.00 |
| 4 | 18" HDPE Pipe | LF | 861 | \$32.00 | \$27,552.00 |
| 5 | 18" RCP Pipe | LF | 28 | \$36.00 | \$1,008.00 |
| 6 | 15" HDPE Pipe | LF | 198 | \$30.00 | \$5,940.00 |
| 7 | 12" HDPE Pipe | LF | 300 | \$28.00 | \$8,400.00 |
| 8 | 12" RCP Pipe | LF | 85 | \$32.00 | \$2,720.00 |
| 9 | 12" Reinforced Concrete Pipe Flared End Section | EA | 2 | \$300.00 | \$600.00 |
| 10 | 18" Reinforced Concrete Pipe Flared End Section | EA | 6 | \$400.00 | \$2,400.00 |
| 11 | CDOT Type "C" Inlet | EA | 6 | \$1,800.00 | \$10,800.00 |
| 12 | Standard Curb Opening Inlets | EA | 1 | \$1,500.00 | \$1,500.00 |
| Sub-Total Storm Drainage: | | | | | \$103,542.00 |

| Water System | | UNITS | QUANTITY | UNIT PRICE | TOTAL PRICE |
|--------------------------------|---------------------------|-------|----------|------------|-------------------|
| 1 | Water Service Taps | EA | 4 | \$200.00 | \$800.00 |
| 2 | 2" PVC Water Service Line | LF | 87 | \$12.00 | \$1,044.00 |
| Sub-Total Water System: | | | | | \$1,844.00 |

| Sanitary Sewer System | | UNITS | QUANTITY | UNIT PRICE | TOTAL PRICE |
|----------------------------------|-------------------------|-------|----------|------------|--------------------|
| 1 | Sanitary Sewer Manholes | EA | 2 | \$1,500.00 | \$3,000.00 |
| 2 | 8" PVC Sewer Main | LF | 322 | \$18.50 | \$5,957.00 |
| 3 | Service Connections | EA | 2 | \$200.00 | \$400.00 |
| 4 | 6" PVC Service Line | LF | 60 | \$15.00 | \$900.00 |
| Sub-Total Sanitary Sewer: | | | | | \$10,257.00 |

TOTAL FRONTAGE ROAD CONSTRUCTION COSTS: \$220,232.75

WEST MESA COURT CONSTRUCTION COST ESTIMATE:

| Grading and Paving | | UNITS | QUANTITY | UNIT PRICE | TOTAL PRICE |
|------------------------------------------------------------|----------------------------------|-------|----------|------------|--------------------|
| 1 | Unclassified Excavation | CY | 725 | \$3.00 | \$2,175.00 |
| 2 | Unclassified Embankment | CY | 480 | \$4.50 | \$2,160.00 |
| 3 | 6"Class 6 Aggregate Base Course | SY | 25 | \$4.75 | \$118.75 |
| 4 | 4"Class 6 Aggregate Base Course | SY | 28 | \$3.50 | \$98.00 |
| 5 | 11"Class 6 Aggregate Base Course | SY | 327 | \$6.50 | \$2,125.50 |
| 6 | 4" Asphalt (Grading C) | SY | 1,069 | \$9.50 | \$10,155.50 |
| 8 | 7.0' Curb Gutter and Sidewalk | LF | 462 | \$19.00 | \$8,778.00 |
| 9 | Pan and Handicap ramps | SY | 21 | \$36.00 | \$756.00 |
| Sub-Total West Mesa Court Grading and Paving Costs: | | | | | \$26,366.75 |

| Storm Drainage: | | UNITS | QUANTITY | UNIT PRICE | TOTAL PRICE |
|----------------------------------|------------------------------|-------|----------|------------|-------------------|
| 1 | Standard Curb Opening Inlets | EA | 2 | \$1,150.00 | \$1,500.00 |
| 2 | 18" HDPE Pipe | LF | 68 | \$32.00 | \$2,176.00 |
| Sub-Total Storm Drainage: | | | | | \$3,676.00 |

| Water System | | UNITS | QUANTITY | UNIT PRICE | TOTAL PRICE |
|--------------|-----------------------------|-------|----------|--------------------------------|-------------------|
| 1 | 4" PVC Waterline | LF | 73 | \$12.00 | \$876.00 |
| 2 | Fittings With Thrust Blocks | EA | 2 | \$160.00 | \$320.00 |
| 3 | Meter Vault | EA | 1 | \$1,500.00 | \$1,500.00 |
| | | | | Sub-Total Water System: | \$2,696.00 |

TOTAL WEST MESA COURT CONSTRUCTION COSTS: \$32,738.75

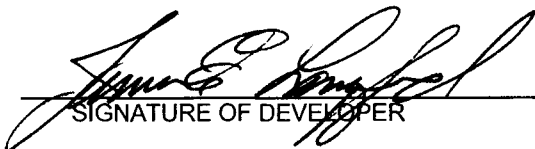
| Miscellaneous | | PERCENTAGE OF TOTAL CONSTRUCTION COST: | | TOTAL PRICE |
|---------------|--------------------------------------|----------------------------------------|-------|-----------------------------------|
| 1 | Construction Phase Engineering | | 0.47% | \$2,200.00 |
| 2 | Construction Phase Surveying | | 2.34% | \$11,000.00 |
| 3 | Development Inspection Costs | | 0.93% | \$4,400.00 |
| 4 | Quality Control | | 1.57% | \$7,400.00 |
| 5 | City Inspection | | 0.74% | \$3,500.00 |
| 6 | As-built survey and drawing revision | | 0.74% | \$3,500.00 |
| 7 | Well Monitoring Program | YR | 1 | \$12,000.00 |
| 8 | Plug and abandon wells | EA | 4 | \$1,500.00 |
| | | | | Miscellaneous: \$50,000.00 |

TOTAL CONSTRUCTION COSTS OF PUBLIC IMPROVEMENTS: \$470,761.00

20% CONTINGENCY: \$94,152.20

| Non Site Construction Related Costs: | | UNITS | QUANTITY | UNIT PRICE | TOTAL PRICE |
|--------------------------------------|--------------------------------------|-------|----------|-------------------------------------------------------|---------------------|
| 1 | Landscaping | LS | 1 | \$239,765.00 | \$239,765.00 |
| 9 | Highway Corridor Study Participation | | | | \$10,000.00 |
| | | | | Sub-Total Non Site Construction Related Costs: | \$249,765.00 |

GRAND TOTAL: \$814,678.20



 SIGNATURE OF DEVELOPER



 DATE

I HAVE REVIEWED THE ESTIMATED COSTS AND TIME SCHEDULE SHOWN ABOVE AND, BASED ON THE PLAN LAYOUTS SUBMITTED TO DATE AND THE CURRENT COSTS OF CONSTRUCTION TAKE NO EXCEPTION TO THE ABOVE.



 CITY ENGINEER



 DATE



 COMMUNITY DEVELOPMENT



 DATE



Firststar Bank, N.A.
East Operations
Mail Code: CN-WN-02GS
425 Walnut Street
Cincinnati, Ohio 45202 U.S.A.

TELEX MCI: 170346
SWIFT: STARUS33
TELEFAX: 513/632-4894

BOOK2904 PAGE588

JULY 26, 2001

BENEFICIARY:
CITY OF GRAND JUNCTION COLORADO
COMMUNITY DEVELOPMENT DIRECTOR
250 NORTH 5TH STREET
GRAND JUNCTION, CO 81501

EXPIRATION DATE JANUARY 26, 2003.

OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. CINS124764

DEAR SIRs,

WE HEREBY OPEN OUR IRREVOCABLE CREDIT IN YOUR FAVOR AVAILABLE BY YOUR DRAFT(S) AT SIGHT ON US FOR A SUM NOT EXCEEDING USD 814,678.20 (EIGHT HUNDRED FOURTEEN THOUSAND SIX HUNDRED SEVENTY EIGHT DOLLARS AND 20/100 UNITED STATES DOLLARS) FOR THE ACCOUNT OF AIG BAKER GRAND JUNCTION, LLC, 1701 LEE BRANCH LANE, BIRMINGHAM, AL 35242 TO BE ACCEPTED BY YOUR SIGNED STATEMENT THAT DRAWING IS DUE TO DEFAULT OR FAILURE TO PERFORM BY DEVELOPER WITH RESPECT TO IMPROVEMENTS REQUIRED ON OR BEFORE 01-26-03 A DEVELOPMENT OCCURRING WITHIN THE CITY OF GRAND JUNCTION, COLORADO. ACTING THROUGH THE CITY OF ATTORNEY YOU WILL NOTIFY US WHEN EITHER:

1. THE IMPROVEMENTS HAVE BEEN TIMELY COMPLETED AND THE WARRANTY PERIOD HAS TERMINATED AND THE CREDIT MAY BE RELEASED; OR
2. THE DEVELOPER HAS FAILED TO PERFORM OR IS IN DEFAULT. NOTICE SHALL BE SIGNED BY THE CITY ATTORNEY OR THE ATTORNEY'S DESIGNEE. PROOF OF DEFAULT OR A STATEMENT FROM ANY OTHER PARTY SHALL NOT BE REQUIRED.

ALL DRAFTS DRAWN HEREUNDER MUST BE BY SIGHT DRAFT MARKED:
"DRAWN UNDER FIRSTSTAR BANK, CREDIT NO. S124764, DATED
JULY 20, 2001."

THE ORIGINAL OF THIS LETTER OF CREDIT MUST BE PRESENTED ALONG WITH ANY SUCH DRAFT AND STATEMENT AT OUR OFFICE 425 WALNUT STREET, CINCINNATI, OHIO 45202 BY COURIER SERVICE OR CERTIFIED MAIL.

THE AMOUNT OF ANY DRAFT DRAWN UNDER THIS CREDIT MUST,

*** CONTINUED ON NEXT PAGE ***



Firststar Bank, N.A.
East Operations
Mail Code: CN-WN-02GS
425 Walnut Street
Cincinnati, Ohio 45202 U.S.A.

TELEX MCI: 170346
SWIFT: STARUS33
TELEFAX: 513/632-4894

REF. NO. CINS124764
PAGE NO. 2

Book2904 Page589

CONCURRENTLY WITH NEGOTIATION, BE ENDORSED ON THE REVERSE SIDE HEREOF AND THE PRESENTMENT OF ANY SUCH DRAFT WILL BE A WARRANTY BY THE NEGOTIATING BANK THAT SUCH ENDORSEMENT HAS BEEN MADE AND THAT DOCUMENT(S) HAVE BEEN FORWARDED AS HEREIN REQUIRED.

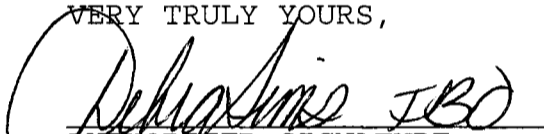
EXCEPT AS FAR AS OTHERWISE EXPRESSLY STATED HEREIN, THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICES FOR COMMERCIAL DOCUMENTARY CREDITS FIXED BY THE 13TH CONGRESS OF THE INTERNATIONAL CHAMBER OF COMMERCE.

WE HEREBY AGREE WITH THE DRAWERS, ENDORSERS AND BONA FIDE HOLDERS OF DRAFTS UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT THAT THE SAME WILL BE DULY HONORED AND PAYMENT MADE NO LATER THAN 3 (THREE) DAYS AFTER DUE PRESENTATION OF THE CREDIT AND DELIVERY OF DOCUMENT(S) AS SPECIFIED ON OR BEFORE THE DATE WRITTEN IN THE FIRST PARAGRAPH ABOVE OR AS THE SAME MAY BE EXTENDED.

THIS LETTER OF CREDIT WILL BECOME EFFECTIVE JULY 26, 2001.

THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1993 REVISION), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 500 (THE "UCP"), OR THE SUCCESSOR VERSION IN EFFECT AT THE TIME OF ANY DRAWS.

VERY TRULY YOURS,


AUTHORIZED SIGNATURE

452

Memorandum

DATE: August 6, 2001

TO: Stephanie Nye

FROM: Bill Nebeker *BN*

SUBJECT: Letter of Credit – Grand Mesa Center 2464 Hwy 6:50

Attached is the letter of credit for the Grand Mesa Center (Community Development File #FP-2001-087). I'll forward the original development improvements agreement once it has been recorded.

If you have any questions please call me at 244-1447 or email me at billn@ci.grandjct.co.us.



Firststar Bank, N.A.
East Operations
Mail Code: CN-WN-02GS
425 Walnut Street
Cincinnati, Ohio 45202 U.S.A

TELEX MCI: 170346
SWIFT: STARUS33
TELEFAX: 513-632-4894

JULY 26, 2001

BENEFICIARY:
CITY OF GRAND JUNCTION COLORADO
COMMUNITY DEVELOPMENT DIRECTOR
250 NORTH 5TH STREET
GRAND JUNCTION, CO 81501

EXPIRATION DATE JANUARY 26, 2003.

OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. CINS124764

DEAR SIRs,

WE HEREBY OPEN OUR IRREVOCABLE CREDIT IN YOUR FAVOR AVAILABLE BY YOUR DRAFT(S) AT SIGHT ON US FOR A SUM NOT EXCEEDING USD 814,678.20 (EIGHT HUNDRED FOURTEEN THOUSAND SIX HUNDRED SEVENTY EIGHT DOLLARS AND 20/100 UNITED STATES DOLLARS) FOR THE ACCOUNT OF AIG BAKER GRAND JUNCTION, LLC, 1701 LEE BRANCH LANE, BIRMINGHAM, AL 35242 TO BE ACCEPTED BY YOUR SIGNED STATEMENT THAT DRAWING IS DUE TO DEFAULT OR FAILURE TO PERFORM BY DEVELOPER WITH RESPECT TO IMPROVEMENTS REQUIRED ON OR BEFORE 01-26-03 A DEVELOPMENT OCCURRING WITHIN THE CITY OF GRAND JUNCTION, COLORADO. ACTING THROUGH THE CITY OF ATTORNEY YOU WILL NOTIFY US WHEN EITHER:

1. THE IMPROVEMENTS HAVE BEEN TIMELY COMPLETED AND THE WARRANTY PERIOD HAS TERMINATED AND THE CREDIT MAY BE RELEASED; OR
2. THE DEVELOPER HAS FAILED TO PERFORM OR IS IN DEFAULT. NOTICE SHALL BE SIGNED BY THE CITY ATTORNEY OR THE ATTORNEY'S DESIGNEE. PROOF OF DEFAULT OR A STATEMENT FROM ANY OTHER PARTY SHALL NOT BE REQUIRED.

ALL DRAFTS DRAWN HEREUNDER MUST BE BY SIGHT DRAFT MARKED: "DRAWN UNDER FIRSTAR BANK, CREDIT NO. S124764, DATED JULY 20, 2001."

THE ORIGINAL OF THIS LETTER OF CREDIT MUST BE PRESENTED ALONG WITH ANY SUCH DRAFT AND STATEMENT AT OUR OFFICE 425 WALNUT STREET, CINCINNATI, OHIO 45202 BY COURIER SERVICE OR CERTIFIED MAIL.

THE AMOUNT OF ANY DRAFT DRAWN UNDER THIS CREDIT MUST,

*** CONTINUED ON NEXT PAGE ***



Firstar Bank, N.A.
East Operations
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425 Walnut Street
Cincinnati, Ohio 45202 U.S.A.

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TELEFAX: 513-632-4894

REF. NO. CINS124764
PAGE NO. 2

CONCURRENTLY WITH NEGOTIATION, BE ENDORSED ON THE REVERSE SIDE HEREOF AND THE PRESENTMENT OF ANY SUCH DRAFT WILL BE A WARRANTY BY THE NEGOTIATING BANK THAT SUCH ENDORSEMENT HAS BEEN MADE AND THAT DOCUMENT(S) HAVE BEEN FORWARDED AS HEREIN REQUIRED.

EXCEPT AS FAR AS OTHERWISE EXPRESSLY STATED HEREIN, THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICES FOR COMMERCIAL DOCUMENTARY CREDITS FIXED BY THE 13TH CONGRESS OF THE INTERNATIONAL CHAMBER OF COMMERCE.

WE HEREBY AGREE WITH THE DRAWERS, ENDORSERS AND BONA FIDE HOLDERS OF DRAFTS UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT THAT THE SAME WILL BE DULY HONORED AND PAYMENT MADE NO LATER THAN 3 (THREE) DAYS AFTER DUE PRESENTATION OF THE CREDIT AND DELIVERY OF DOCUMENT(S) AS SPECIFIED ON OR BEFORE THE DATE WRITTEN IN THE FIRST PARAGRAPH ABOVE OR AS THE SAME MAY BE EXTENDED.

THIS LETTER OF CREDIT WILL BECOME EFFECTIVE JULY 26, 2001.

THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1993 REVISION), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 500 (THE "UCP"), OR THE SUCCESSOR VERSION IN EFFECT AT THE TIME OF ANY DRAWS.

VERY TRULY YOURS,


AUTHORIZED SIGNATURE

452



U.S. BANK NATIONAL ASSOCIATION
INTERNATIONAL DEPT SL-LS-02IL
8TH AND LOCUST STREETS
ST LOUIS, MISSOURI 63101

SWIFT: USBKUS44STL
TELEX: 192179
TELEPHONE: 877-716-5696
FACSIMILE: 314-418-1376

MAY 16, 2002

Amendment number 1 to letter of credit number SLCC124764

Applicant: AIG BAKER GRAND JUNCTION, LLC
1701 LEE BRANCH LANE
BIRMINGHAM, AL 35242

Beneficiary: CITY OF GRAND JUNCTION COLORADO
COMMUNITY DEVELOPMENT DIRECTOR
250 NORTH 5TH STREET
GRAND JUNCTION, CO 81501

Please be advised that due to the consolidation of U.S. Bank's International processing sites the above mentioned Letter of Credit is amended as follows:

The name and address of the issuing bank has been amended to read:

U.S. Bank National Association
8th and Locust Streets
St. Louis, MO 63101

Drafts now to be drawn on U.S. Bank National Association,
St. Louis Office.

Presentation of drawing(s) and all other communications under this letter of credit must now be presented to the address indicated above.

This Letter of Credit number has been amended from CINS124764 to SLCC124764.

This amendment is to be considered as part of the original credit and must be attached thereto. All other terms and conditions remain unchanged.

U.S. Bank National Association



AUTHORIZED SIGNATURE JLD9

CC: Applicant
CC: RM-ERIC SULLENGER, TN-02-1711

RELEASE OF IMPROVEMENTS AGREEMENT & GUARANTEE
Grand Junction Community Development Department
FILE # FP-2001-087

This memorandum relates to a certain recorded Improvements Agreement and Guarantee dated July 26, 2001 (year) and recorded at Book 2904, Pages 575-589 of the land records of Mesa County, Colorado, by and between AlG Baker Grand Junction, LLC (Developer) and the City of Grand Junction (City) pertaining to Grand Mesa Center (Project).

Legal Description: See recorded plat for Grand Mesa Center Subdivision,
Book Pages

Whereas, Developer has installed and constructed certain public and private improvements at and for the Project, which completion was guaranteed by the execution of an Improvements Agreement and Guarantee, and

Whereas, the City of Grand Junction and all other agencies possessing regulatory authority over the Project and/or the improvements have inspected the improvements and have accepted the same,

NOW THEREFORE, officials of the City of Grand Junction and other officials duly representing their agencies, possessing and representing by their signatures, affixed thereto, that they possess sufficient authority to accept improvements and release the portion of the guarantee pertaining to the improvements under their jurisdiction, do accept, sign and release said improvements agreement and guarantee.

CITY OF GRAND JUNCTION:

By: City Engineer [Signature] Date 7-8-03
City Utilities Manager N/A Date _____
Fire Marshall N/A Date _____

UTE WATER:

By: N/A Date _____

GRAND JUNCTION DRAINAGE:

By: N/A Date _____

OTHER:

By: N/A Date _____

In accordance with the above signatures, I hereby certify that the Improvements Agreement & Guarantee and the recording evidencing the agreement and guarantee, at Book 2904, Pages 575-589 of the Mesa County land records, have been completed and accepted and in accordance with the provisions of the Grand Junction Zoning and Development Code are hereby released, subject to the required warranty period.

~~Director of~~ Community Development [Signature] Date 7/8/03

The foregoing instrument was executed before me this 8th day of July, 2003 (year) by Pat Cecil, ~~Director of~~ Community Development for the City of Grand Junction, Colorado.

Witness my hand & official seal.

Notary Public [Signature]
My commission expires November 28, 2005

