

NPD0012S

TYPE OF RECORD: PERMANENT

CATEGORY OF RECORD: **DEVELOPMENT IMPROVEMENTS AGREEMENT**

NAME OF APPLICANT OR DEVELOPER: NORTHWEST PLATEAU DEVELOPMENT, INC.

PROJECT/SUBDIVISION: MARSH LANE SUBDIVISION

LOCATION: MARSH LANE AT 12TH STREET, GRAND JUNCTION

PARCEL NO.: 2701-362-00-012

FILE NO.: FPP-2000-101

PFP-2000-101

CITY DEPARTMENT: COMMUNITY DEVELOPMENT

YEAR: 2000

EXPIRATION DATE: NONE

DESTRUCTION DATE: NONE

DEVELOPMENT IMPROVEMENTS AGREEMENT

1. **Parties:** The parties to this Development Improvements Agreement ("the Agreement" or "Agreement") are NORTHWEST PLATEAU DEVELOPMENT, INC. ("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 MARSH LANE ~~ADJUTANT~~ SUBDIVISION, 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 addition to 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 guarantee in a form and with terms acceptable to the City. A copy of which or a memorandum thereof is attached as Exhibit C.

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.

03/06/00

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 ~~8/16/00~~ (set date) ("the Commencement Period") and the Improvements, each and every one of them, shall be completed by the end of the 12 month from the Effective Date of this Agreement ~~8/16/00~~ (set date) (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 the issuance 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. 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 guarantee will be reduced by an amount equal to 90 percent of the estimated cost of such Improvement as shown in Exhibit B. 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 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 guarantee shall be available to the City for 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 written notice has been sent to the Developer at the address on file with the development application. Notice is and shall be deemed effective two 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 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, 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. 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 his 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 two calendar days after deposit with the United States Postal Service, first class, postage prepaid and addressed as follows:

If to Developer:

NORTHWEST PLATEAU DEVELOPMENT, INC.
667 24 1/2 ROAD
GRAND JUNCTION, CO 81505

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, blue-line 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

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

EXHIBIT A

That part of the SW1/4 NW1/4 of Section 36, Township One North, Range One West,
of the Ute Meridian, City of Grand Junction, County of Mesa, Colorado, described as follows:

Beginning at the W1/4 Corner of said Section 36 from whence the NW Corner of the
SW1/4 NW1/4 of said Section 36 bears N00°06'04"E 1319.62 feet; thence
N00°06'04"E 286.48 feet; thence S89°53'56"E 30.00 feet to the point of beginning;
thence N00°06'04"E 99.88 feet; thence S89°53'56"E 391.00 feet;
thence S50°19'37"E 156.97 feet; thence N 89°53'56"W 512.00 feet to the point of beginning
(1.04 acres +/-)

EXHIBIT B

IMPROVEMENTS LIST/DETAIL

(Page 1 of 3)

DATE: 5-31-00
 NAME OF DEVELOPMENT: MARSH LANE MINOR SUB.
 LOCATION: MARSH LANE AT 12TH ST.
 PRINTED NAME OF PERSON PREPARING: TREVOR BROWN

	TOTAL UNITS	UNIT QTY.	PRICE	TOTAL AMOUNT
I. SANITARY SEWER				
1. Clearing and grubbing				
2. Cut and remove asphalt	<u>S.F.</u>	<u>400</u>	<u>2⁰⁰</u>	<u>\$800⁰⁰</u>
3. PVC sanitary sewer main (incl. trenching, bedding & backfill)				
4. Sewer Services (incl. trenching, bedding, & backfill)	<u>L.F.</u>	<u>190</u>	<u>\$16⁰⁰</u>	<u>\$3040⁰⁰</u>
5. Sanitary sewer manhole(s)				
6. Connection to existing manhole(s)				
7. Aggregate Base Course				
8. Pavement replacement				
9. Driveway restoration				
10. Utility adjustments				
II. DOMESTIC WATER				
1. Clearing and grubbing				
2. Cut and remove asphalt				
3. Water Main (incl. excavation, bedding, backfill, valves and appurtenances)	<u>L.F.</u>	<u>535</u>	<u>\$25⁰⁰</u>	<u>13,375⁰⁰</u>
4. Water services (incl. excavation, bedding, backfill, valves, and appurtenances)	<u>EA</u>	<u>4</u>	<u>500⁰⁰</u>	<u>2000⁰⁰</u>
5. Connect to existing water line	<u>L.S.</u>	<u>1</u>	<u>500⁰⁰</u>	<u>\$500⁰⁰</u>
6. Aggregate Base Course				
7. Pavement Replacement	<u>TON</u>	<u>40</u>	<u>40⁰⁰</u>	<u>1600⁰⁰</u>
8. Utility adjustments (<u>4 existing services</u>)	<u>EA</u>	<u>4</u>	<u>400⁰⁰</u>	<u>1600⁰⁰</u>
III. STREETS				
1. Clearing and grubbing	<u>L.S.</u>	<u>1</u>	<u>1500⁰⁰</u>	<u>1500⁰⁰</u>
2. Earthwork, including excavation and embankment construction				
3. Utility relocations				
4. Aggregate sub-base course (square yard)				

5. Aggregate base course (^{cubic} square yard)	C.Y.	151	28 ⁰⁰	4228 ⁰⁰
6. Sub-grade stabilization	S.Y.	778	2 ⁰⁰	1556 ⁰⁰
7. Asphalt or concrete pavement (square yard) 3" H.B.P.	TON	120	35 ⁰⁰	4200 ⁰⁰
8. Curb, gutter & sidewalk 2 1/2' Rollover (linear feet)	L.F.	282	10 ⁰⁰	2820 ⁰⁰
9. Driveway sections (square yard)				
10. Crosspans & fillets				
11. Retaining walls/structures				
12. Storm drainage system				
13. Signs and other traffic control devices				
14. Construction staking				
15. Dust control				
16. Street lights (each)				
IV. LANDSCAPING				
1. Design/Architecture				
2. Earthwork (includes top soil, fine grading, & berming)				
3. Hardscape features (includes walls, fencing, and paving)				
4. Plant material and planting				
5. Irrigation system				
6. Other features (incl. statues, water displays, park equipment, and outdoor furniture)				
7. Curbing				
8. Retaining walls and structures				
9. One year maintenance agreement				
V. MISCELLANEOUS				
1. Design/Engineering				
2. Surveying				
3. Developer's inspection costs				
4. Quality control testing				
5. Construction traffic control				
6. Rights-of-way/Easements				
7. City inspection fees @\$45./hr	EA	20	45 ⁰⁰	900 ⁰⁰
8. Permit fees				
9. Recording costs				
10. Bonds				
11. Newsletters				
12. General Construction Supervision				

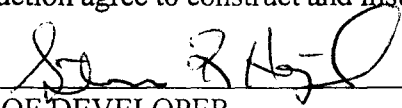
13. Other FIRE HYDRANT EA 1 2500⁰⁰ 2500⁰⁰
14. Other _____

TOTAL ESTIMATED COST OF IMPROVEMENTS: \$ 40,619⁰⁰

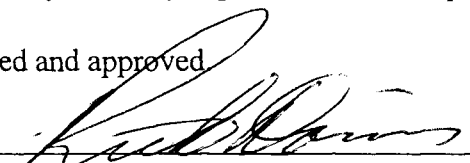
SCHEDULE OF IMPROVEMENTS:

- I. SANITARY SEWER _____
- II. DOMESTIC WATER _____
- III. STREETS _____
- IV. LANDSCAPING _____
- V. MISCELLANEOUS _____

I have reviewed the estimated costs and time schedule shown above and based on the plans and the current costs of construction agree to construct and install the Improvements as required above.

 5-31-00
SIGNATURE OF DEVELOPER date

(If corporation, to be signed by president and attested to by secretary together with the corporate seals.)

Reviewed and approved
 8-16-00
CITY ENGINEER date

COMMUNITY DEVELOPMENT date

FPP-2000-101

PROMISSORY NOTE

1996067 05/14/01 0213PM
MONIKA TODD CLK&REC MESA COUNTY CO
REC FEE \$5.00

\$24,956.33

Grand Junction, Colorado

MAY
~~April~~ 9th 2001

FOR VALUE RECEIVED, the undersigned promises to pay to the order of THE CITY OF GRAND JUNCTION, CO, at Grand Junction, CO, or at such other place as may be designated in writing by the holder, the sum of TWENTY-FOUR THOUSAND NINE HUNDRED FIFTY-SIX AND 33/100THS DOLLARS (\$24,956.33) which shall bear interest at the rate of eight percent (8%) per annum, payable as follows:

On or before ~~April~~ 9th, 2004.
may

This Note is secured by a Deed of Trust of even date to the Public Trustee of Mesa County, State of Colorado. Said Deed of Trust is on property situated in Mesa County.

Maker shall have the right to prepay at any time without penalty. The Maker and the other parties liable or who become liable for the payment of this Note expressly agree that this Note, or any payment thereunder, may be extended from time to time, or the terms of payment may otherwise be varied by agreement between the holder hereof and any owner of the security described herein without in any way affecting the liability of the Maker or other parties liable or who become liable for payment of this Note.

If this Note is sued upon, or placed in the hands of an attorney for collection or the security securing same is foreclosed, then the undersigned agrees to pay all costs of collection, plus a reasonable charge as attorney's fees.

NORTHWEST PLATEAU DEVELOPMENT, INC.

By: *Jan R. Hill*
President

FPP-2000-101

5 PAGE DOCUMENT

BOOK 2850 PAGE 52

IF THIS FORM IS USED IN A CONSUMER CREDIT TRANSACTION, CONSULT LEGAL COUNSEL.
THIS IS A LEGAL INSTRUMENT. IF NOT UNDERSTOOD, LEGAL, TAX OR OTHER COUNSEL SHOULD BE CONSULTED BEFORE SIGNING.

DEED OF TRUST
(Due on Transfer - Strict)

1996068 05/14/01 0213PM
NONIKA TODD CLK&REC MESA COUNTY, CO
REC.FEE \$25.00

This DEED OF TRUST is made on ^{MAY} April 9th, 2001, between NORTHWEST PLATEAU DEVELOPMENT, INC., a Colorado corporation, (Borrower), whose address is 667 24¹/₂ Road, Grand Junction, CO 81505; and the Public Trustee of the County in which the Property (see paragraph 1) is situated (Trustee); for the benefit of THE CITY OF GRAND JUNCTION, COLORADO (Lender) whose address is 250 North 5th Street, Grand Junction, CO 81501.

Borrower and Lender covenant and agree as follows:

1. **Property in Trust.** Borrower, in consideration of the indebtedness herein recited and the trust herein created, hereby grants and conveys to Trustee in trust, with power of sale, the following described property located in the County of Mesa, State of Colorado:

Lots 1, 2 and 3, Marsh Lane Subdivision

which has the address of Vacant Land, Grand Junction, Colorado (Property Address), together with all its appurtenances (Property).

2. **Note; Other Obligations Secured.** This Deed of Trust is given to secure to Lender:

a. the repayment of the indebtedness evidenced by Borrower's note (Note) dated ^{MAY} April 9, 2001, in the principal sum of Twenty Four Thousand Nine Hundred Fifty-Six and 33/100ths U.S. Dollars, with interest on the unpaid principal balance from ~~MAY~~ April 9th, 2001, until paid, at the rate of eight percent (8%) per annum, with principal and interest payable at Grand Junction, CO, or such other place as the Lender may designate, on or before ^{MAY} April 9th, 2004.

3. **Title.** Borrower covenants that Borrower owns and has the right to grant and convey the Property, and warrants title to the same, subject to general real estate taxes for the current year, easements of record or in existence, and recorded declarations, restrictions, reservations and covenants, if any, as of this date and except liens and encumbrances of record, if any.

4. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, and late charges as provided in the Note and shall perform all of Borrower's other covenants contained in the Note.

5. **Application of Payments.** All payments received by Lender under the terms hereof shall be applied by Lender first in payment of amounts due pursuant to paragraph 23 (Escrow Funds for Taxes and Insurance), then to amounts disbursed by Lender pursuant to paragraph 9 (Protection of Lender's Security), and the balance in accordance with the terms and conditions of the Note.

6. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any prior deed of trust and any other prior Liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may have or attain a priority over this Deed of Trust, and leasehold payments or ground rents, if any, in the manner set out in paragraph 23 (Escrow Funds for Taxes and Insurance) or, if not required to be paid in such manner, by Borrower making payment when due, directly to the payee thereof. Despite the foregoing, Borrower shall not be required to make payments otherwise required by this paragraph if Borrower, after notice to Lender, shall in good faith contest such obligation by, or defend enforcement of such obligation in, legal proceedings which operate to prevent the enforcement of the obligation or forfeiture of the Property or any part thereof, only upon Borrower making all such contested payments and other payments as ordered by the court to the registry of the court in which such proceedings are filed.

7. **Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire or hazards included within the term "extended coverage" in an amount at least equal to the lesser of (1) the insurable value of the Property or (2) an amount sufficient to pay the sums secured by this Deed of Trust as well as any prior encumbrances on the Property. All of the foregoing shall be known as "Property Insurance".

The insurance carrier providing the insurance shall be qualified to write Property Insurance in Colorado and shall be chosen by Borrower subject to Lender's right to reject the chosen carrier for reasonable cause. All insurance policies and renewals thereof shall include a standard mortgage clause in favor of Lender, and shall provide that the insurance carrier shall notify Lender at least ten (10) days before cancellation, termination or any material change of coverage. Insurance policies shall be furnished to Lender at or before closing. Lender shall have the right to hold the policies and renewals thereof.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Deed of Trust is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Deed of Trust would be impaired, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is given in accordance with paragraph 16 (Notice) by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Any such application of proceeds to principal shall not extend or postpone the due date of the installments referred to in paragraph 4 (Payment of Principal and Interest) and 23 (Escrow funds for Taxes and Insurance) or change the amount of such installments. Notwithstanding anything herein to the contrary, if under paragraph 18 (Acceleration; Foreclosure; Other Remedies) the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Deed of Trust immediately prior to such sale or acquisition.

All of the rights of Borrower and Lender hereunder with respect to insurance carriers, insurance policies and insurance proceeds are subject to the rights of any holder of a prior deed of trust with respect to said insurance carriers, policies and proceeds.

8. **Preservation and Maintenance of Property.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Deed of Trust is on a leasehold. Borrower shall perform all of Borrower's obligations under any declarations, covenants, by-laws, rules, or other documents governing the use, ownership or occupancy of the Property.

9. **Protection of Lender's Security.** Except when Borrower has exercised Borrower's rights under paragraph 6 above, if the Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if a default occurs in a prior lien, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, with notice to Borrower if required by law, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to:

- a. any general or special taxes or ditch or water assessments levied or accruing against the Property;
- b. the premiums on any insurance necessary to protect any improvements comprising a part of the Property;
- c. sums due on any prior liens or encumbrance on the Property;
- d. If the Property is a leasehold or is subject to a lease, all sums due under such lease;
- e. the reasonable costs and expenses of defending, protecting, and maintaining the Property and Lender's interest in the Property, including repair and maintenance costs and expenses, costs and expenses of protecting and securing the Property, receiver's fees and expenses, inspection fees, appraisal fees, court costs, attorney fees and costs, and fees and costs of an attorney in the employment of the Lender or holder of the certificate of purchase;
- f. all other costs and expenses allowable by the evidence of debt or this Deed of Trust; and
- g. such other costs and expenses which may be authorized by a court of competent jurisdiction.

Borrower hereby assigns to Lender any right Borrower may have by reason of any prior encumbrance on the Property or by law or otherwise to cure any default under said prior encumbrance.

Any amounts disbursed by Lender pursuant to this paragraph 9, with interest thereon, shall become additional indebtedness of Borrower secured by this Deed of Trust. Such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and Lender may bring suit to collect any amounts so disbursed plus interest specified in paragraph 2B (Note; Other Obligations Secured). Nothing contained in this paragraph 9 shall require Lender to incur any expense or take any action hereunder.

10. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspection of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

11. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender as herein provided. However, all of the rights of Borrower and Lender hereunder with respect to such proceeds are subject to the rights of any holder of a prior deed of trust.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to the Borrower. In the event of a partial taking of the Property, the proceeds remaining after taking out any part of the award due any prior lien holder (net award) shall be divided between Lender and Borrower, in the same ratio as the amount of the sums secured by this Deed of Trust immediately prior to the date of taking bears to Borrower's equity in the Property immediately prior to the date of taking. Borrower's equity in the Property means the fair market value of the Property less the amount of sums secured by both this Deed of Trust and all prior liens (except taxes) that are to receive any of the award, all at the value immediately prior to the date of taking.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is given, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Any such application of proceeds to principal shall not extend or postpone the due date of the installments referred to in paragraphs 4 (Payment of Principal and Interest) and 23 (Escrow Funds for Taxes and Insurance) nor change the amount of such installments.

12. **Borrower Not Released.** Extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower, nor Borrower's successors in interest, from the original terms of this Deed of Trust. Lender shall not be required to commence

proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Borrower nor Borrower's successors in interest.

13. **Forbearance by Lender Not a Waiver.** Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by law, shall not be a waiver or preclude the exercise of any such right or remedy.

14. **Remedies Cumulative.** Each remedy provided in the Note and this Deed of Trust is distinct from and cumulative to all other rights or remedies under the Note and this Deed of Trust or afforded by law or equity, and may be exercised concurrently, independently or successively.

15. **Successors and Assigns Bound; Joint and Several Liability; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 24 (Transfer of the Property; Assumption). All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs in this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.

16. **Notice.** Except for any notice required by law to be given in another manner, (a) any notice to Borrower provided for in this Deed of Trust shall be in writing and shall be given and be effective upon (1) delivery to Borrower or (2) mailing such notice by first-class U.S. mail, addressed to Borrower at Borrower's address stated herein or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be in writing and shall be given and be effective upon (1) delivery to Lender or (2) mailing such notice by first-class U.S. mail, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Deed of Trust shall be deemed to have been given to Borrower or Lender when given in any manner designated herein.

17. **Governing Law; Severability.** The Note and this Deed of Trust shall be governed by the law of Colorado. In the event that any provision or clause of this Deed of Trust or the Note conflicts with the law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Deed of Trust and Note are declared to be severable.

18. **Acceleration; Foreclosure; Other Remedies.** Except as provided in paragraph 24 (Transfer of the Property; Assumption) upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, or upon any default in a prior lien upon the Property, (unless Borrower has exercised Borrower's rights under paragraph 6 above), at Lender's option, all of the sums secured by this Deed of Trust shall be immediately due and payable (Acceleration). To exercise this option, Lender may invoke the power of sale and any other remedies permitted by law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this Deed of Trust, including, but not limited to, reasonable attorney's fees.

If Lender invokes the power of sale, Lender shall give written notice to Trustee to such election. Trustee shall give such notice to Borrower of Borrower's rights as is provided by law. Trustee shall record a copy of such notice as required by law. Trustee shall advertise the time and place of the sale of the Property, for not less than four weeks in a newspaper of general circulation in each county in which the Property is situated and shall mail copies of such notice of sale to Borrower and other persons as prescribed by law. After the lapse of such time as may be required by law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder for cash at the time and place (which may be on the Property or any part thereof as permitted by law) in one or more parcels as Trustee may think best and in such order as Trustee may determine. Lender or Lender's designee may purchase the Property at any sale. It shall not be obligatory upon the purchaser at any such sale to see to the application of the purchase money.

Trustee shall apply the proceeds of the sale in the following order: (a) to all reasonable costs and expenses of the sale, including, but not limited to, reasonable Trustee's and attorney's fees and costs of title evidence; (b) to all sums secured by this Deed of trust; and (c) the excess, if any, to the person or persons legally entitled thereto.

19. **Borrower's Right to Cure Default.** Whenever foreclosure is commenced for nonpayment of any sums due hereunder, the owners of the Property or parties liable hereon shall be entitled to cure said defaults by paying all delinquent principal and interest payments due as of the date of cure, costs, expenses, late charges, attorney's fees and other fees all in the manner provided by law. Upon such payment, this Deed of Trust and the obligations secured hereby shall remain in full force and effect as though no Acceleration had occurred, and the foreclosure proceedings shall be discontinued.

20. **Assignment of Rents; Appointment of Receiver; Lender in Possession.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property; however, Borrower shall, prior to Acceleration under paragraph 18 (Acceleration; Foreclosure; Other Remedies) or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Lender or the holder of the Trustee's certificate of purchase shall be entitled to a receiver for the Property after Acceleration under paragraph 18 (Acceleration; Foreclosure; Other Remedies), and shall also be so entitled during the time covered by foreclosure proceedings and the period of redemption, if any; and shall be entitled thereto as a matter of right without regard to the solvency or insolvency of Borrower or of the then owner of the Property, and without regard to the value thereof. Such receiver may be appointed by any Court of competent jurisdiction upon ex parte application and without notice - notice being hereby expressly waived.

Upon Acceleration under paragraph 18 (Acceleration; Foreclosure; Other Remedies) or abandonment of the Property, Lender, in person, by agent or by judicially-appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied, first, to

payment of the costs of preservation and management of the Property, second, to payments due upon prior liens, and then to the sums secured by this Deed of Trust. Lender and the receiver shall be liable to account only for those rents actually received.

21. **Release.** Upon payment of all sums secured by this Deed of Trust, Lender shall cause Trustee to release this Deed of Trust and shall produce for Trustee the Note. Borrower shall pay all costs of recordation and shall pay the statutory Trustee's fees. If Lender shall not produce the Note as aforesaid, then Lender, upon notice in accordance with paragraph 16 (Notice) from Borrower to Lender, shall obtain, at Lender's expense, and file any lost instrument bond required by Trustee to pay the cost thereof to effect the release of this Deed of Trust.

22. **Waiver of Exemptions.** Borrower hereby waives all right of homestead and any other exemption in the Property under state or federal law presently existing or hereafter enacted.

23. **Escrow Funds for Taxes and Insurance.** This paragraph 23 is not applicable if Funds as defined below are being paid pursuant to a prior encumbrance. Subject to applicable law, Borrower shall pay to Lender, on each day installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein referred to as "Funds") equal to N/A of the yearly taxes and assessments which may attain priority over this Deed of Trust, plus N/A of yearly premium installments for Property Insurance, all as reasonably estimated initially and from time-to-time by Lender on the basis of assessments and bills and reasonable estimates thereof, taking into account any excess Funds not used or shortages.

The principal of the Funds shall be held in a separate account by the Lender in trust for the benefit of the Borrower and deposited in an institution the deposits or accounts of which are insured or guaranteed by federal or state agency. Lender shall apply the Funds to pay said taxes, assessments and insurance premiums. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills. Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits of the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Deed of Trust.

If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments and insurance premiums as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is given in accordance with paragraph 16 (Notice) by Lender to Borrower requesting payment thereof. Provided however, if the loan secured by this Deed of Trust is subject to RESPA or other laws regulating Escrow Accounts, such deficiency, surplus or any other required adjustment shall be paid, credited or adjusted in compliance with such applicable laws.

Upon payment in full of all sums secured by this Deed of Trust, Lender shall simultaneously refund to Borrower any Funds held by Lender. If under paragraph 18 (Acceleration; Foreclosure; Other Remedies) the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, whichever occurs first, any Funds held by Lender at the time of application as a credit against the sums secured by this Deed of Trust.

24. **Transfer of the Property; Assumption.** The following events shall be referred to herein as a "Transfer": (i) a transfer or conveyance of title (or any portion thereof, legal or equitable) of the Property (or any part thereof or interest therein), (ii) the execution of a contract or agreement creating a right to title (or any portion thereof, legal or equitable) in the Property (or any part thereof or interest therein), (iii) an agreement granting a possessory right in the Property (or any portion thereof), in excess of three (3) years, (iv) a sale or transfer of, or the execution of a contract or agreement creating a right to acquire or receive, more than fifty percent (50%) of the controlling interest or more than fifty percent (50%) of the beneficial interest in the Borrower, (v) the reorganization, liquidation or dissolution of the Borrower. Not to be included as a Transfer are (i) the creation of a lien or encumbrance subordinate to this Deed of Trust, (ii) the creation of a purchase money security interest for household appliances, or (iii) a transfer by devise, descent or by operation of the law upon the death of a joint tenant. At the election of Lender, in the event of each and every Transfer:

a. All sums secured by this Deed of Trust shall become immediately due and payable (Acceleration).

b. If a Transfer occurs and should Lender not exercise Lender's option pursuant to this paragraph 24 to Accelerate, Transferee shall be deemed to have assumed all of the obligations of Borrower under this Deed of Trust including all sums secured hereby whether or not the instrument evidencing such conveyance, contract or grant expressly so provides. This covenant shall run with the Property and remain in full force and effect until said sums are paid in full. The Lender may without notice to the Borrower deal with Transferee in the same manner as with the Borrower with reference to said sums including the payment or credit to Transferee of undisbursed reserve Funds on payment in full of said sums, without in any way altering or discharging the Borrower's liability hereunder for the obligations hereby secured.

c. Should Lender not elect to Accelerate upon the occurrence of such Transfer then, subject to (b) above, the mere fact of a lapse of time or the acceptance of payment subsequent to any of such events, whether or not Lender had actual or constructive notice of such Transfer, shall not be deemed a waiver of Lender's right to make such election nor shall Lender be estopped therefrom by virtue thereof. The issuance on behalf of the Lender of a routine statement showing the status of the loan, whether or not Lender had actual or constructive notice of such Transfer, shall not be a waiver or estoppel of Lender's said rights.

25. **Partial Release.** Borrower shall be entitled to a partial release of the lien of this deed of trust on a per lot basis upon payment to Lender of \$8,318.78 principal plus accrued interest per lot to the date of release.

Dated: May 9th 2001

NORTHWEST PLATEAU DEVELOPMENT, INC.

By: Steven R. Hejl
President

STATE OF COLORADO)
)
COUNTY OF MESA)

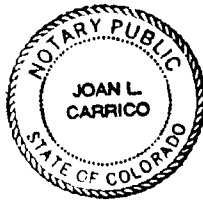
The foregoing instrument was acknowledged before me this _____ day of _____, 2001, by Steven R. Hejl, the President of Northwest Plateau Development, Inc..

Witness my hand and official seal.
My commission expires: _____

Joan L. Carrico
Notary Public

1111 Horizon Drive #510

Grand Junction, CO 81506
Address



My Commission Expires
October 24, 2002



To: TAMI

First American Heritage Title Company

330 Grand Avenue Grand Junction, CO 81501
(970) 241-8555 Fax (970) 241-0934

RE: Borrower name: Northwest Plateau Development Corporation
Property address: 2708 Marsh Lane, Lot 2
Parcel #: 2701-362-43-002

Please fill in the payoff information below and fax back to (970) 241-0934

The payoff on the above referenced loan is as follows:

Principal Balance	\$	<u>24,956.33</u>
Interest from <u>5/1/01</u> to <u>5/24/02</u>	\$	<u>2,078.55</u>
Release fee	\$	<u>-0-</u>
Additional Fees	\$	<u>-0-</u>
	\$	<u> </u>
PARTIAL PAYOFF TOTAL	\$	<u>27,034.88</u>
Per diem interest	\$	<u> </u>

PLEASE HAVE BANK OFFICER SIGN THIS PAYOFF STATEMENT BELOW

[Signature]
Date 5/20/02

Devoted
"Satisfied Customers through Superior Service by People Who Care"

REQUEST FOR RELEASE OF DEED OF TRUST AND RELEASE

May 23, 2002

Date

The City of Grand Junction, Colorado

Grantor (Borrower)

Northwest Plateau Development, Inc., a Colorado Corporation

Original Beneficiary (Lender)

May 9, 2002

Date of Deed of Trust

April 14, 2002

Recording Date of Deed of Trust

MESA

County of Recording

1996068

Reception and/or Film Nos. of Recorded Deed of Trust

Reception No.

Film No.

2850

52

Book No.

Page No.

Book and Page of Deed of Trust

TO THE PUBLIC TRUSTEE OF

MESA County (The Public Trustee to which the above Deed of Trust conveys the said property.) Please execute this release, as the indebtedness secured by the Deed of Trust has been fully or partially paid and/or the purpose of the Deed of Trust has been Fully satisfied.

The City of Grand Junction, Colorado

Current Owner and Holder of the Indebtedness Secured by Deed of Trust (Lender)

Name and Title of Agent or Officer of Current Owner and Holder

Lanny Paulson, Budget and Accounting Manager

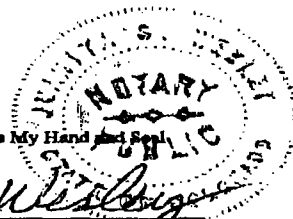
Signature

State of Colorado, County of

MESA The foregoing request for release was acknowledged before me on May 24, 2002 (date) by*

Lanny Paulson, Budget and Accounting Manager, of The City of Grand Junction, Colorado

Witness My Hand and Seal



Juanita S. Wislizenus, Notary Public

10/10/2005 Date Commission Expires

RELEASE OF DEED OF TRUST

WHEREAS, the above referenced Grantor(s), by Deed of Trust, conveyed certain real property described in said Deed of Trust to the Public Trustee of the County referenced above, in the State of Colorado, to be held in trust to secure the payment of the indebtedness referred to therein; and

WHEREAS, the indebtedness secured by the Deed of Trust has been fully or partially paid and/or the purpose of the Deed of Trust has been fully satisfied as set forth in the written request of the current owner and holder of the said indebtedness.

NOW THEREFORE, in consideration of the premises and the payment of the statutory sum, receipt of which is hereby acknowledged, I, as the Public Trustee in the County first referenced above, do hereby remise, release and quitclaim unto the present owner or owners of said real property, and unto the heirs, successors and assigns of such owner or owners forever, all the right, title and interest which I have under and by virtue of the aforesaid Deed of Trust in the real estate described therein, to have and to hold the same, with all the privileges and appurtenances therunto belonging forever, and further I do hereby fully and absolutely release, cancel and forever discharge said Deed of Trust.

Public Trustee

By

Deputy Public Trustee

State of Colorado, County of

The foregoing instrument was acknowledged before me on (date) by as the

Witness My Hand and Seal

Public Trustee of County, Colorado.

Date Commission Expires

Notary Public

*If applicable, insert title of agent or officer and name of current owner and holder.

First American Heritage Title Company

Wells Fargo Bank West, N.A.
Grand Junction Downtown
Grand Junction, Colorado 81501
23-7-1020

NO. 173775

TRUST ACCOUNT
330 Grand Avenue
Grand Junction, Colorado 81501
970-241-8555

Date:

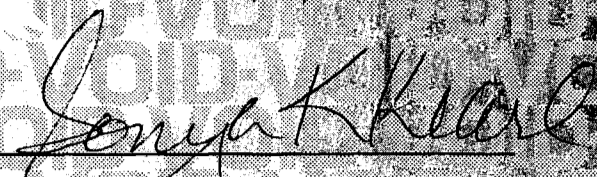
05/23/2002

FILE NO: 00145001-001/NAF

AMOUNT

\$ 27,034.88

PAY TWENTY-SEVEN THOUSAND THIRTY-FOUR AND 88 / 100



To THE CITY OF GRAND JUNCTION

The Order Of PARCEL #2701-362-43-002/LOT 2
FULL PAYOFF ON LOTS 1, 2, 3

VOID AFTER 90 DAYS

THIS CHECK HAS AN ARTIFICIAL WATERMARK ON THE REVERSE. HOLD AT AN ANGLE TO VIEW.

⑈ 1 7 3 7 7 5 ⑈ ⑆ 10 20000 76 ⑆ 20800 1408 ⑈

Tax Parcel	2701-362-43-002	First American Heritage Title Company	No.	173775
Case#	FILE NO: 00145001-001/NAF	Grand Junction, Colorado 81501	Addr	2708 Marsh Lane
Seller	Northwest Plateau Development Corporation	05/23/2002	Purchaser:	Young
	FULL PAYOFF-RELEASE DOT			<u>\$ 27,034.88</u>
	Check Total			\$ 27,034.88



First American Heritage Title Company

330 Grand Avenue
Grand Junction, CO 81501
(970) 241-8555 Fax (970) 241-0934

PAYOFF REMITTANCE

TO: City of Grand Junction

DATE: May 23, 2002

(For Hand Delivery)

BORROWER: Northwest Plateau
Development Corporation

RECEIVED BY: _____

PARCEL #: 2701-362-43-002

PROPERTY: 2708 Marsh Lane
Grand Junction, CO 81506

FILE NO: 00145001

Enclosed please find our check for \$27,034.88 remitted as a full payoff for your loan number, as set forth above. In consideration for this payoff, you are to
ISSUE A FULL RELEASE OF THE LIEN SECURING THIS LOAN. PLEASE FORWARD ALL CANCELLED DOCUMENTS, INCLUDING BUT NOT NECESSARILY LIMITED TO PROMISSORY NOTE, DEED OF TRUST, RELEASE OF DEED OF TRUST, WATER STOCK CERTIFICATE, OR MOBILE HOME TITLE TO:

First American Heritage Title Company
330 Grand Avenue
Grand Junction, CO 81501
Attention: Release Dept.

Your Borrower's Forwarding Address:

First American Heritage Title Company

By _____

Tami Balleweg

Devoted

"Satisfied Customers through Superior Service by People Who Care"

May 24, 2002

The original promissory note and Deed of Trust were given to Jay Valentine on this date for release by the titlecompany.

Stephanie Tuin, CMC
City Clerk

Note – the DIA was retrieved from the file and was never signed.

FPP-2000-101

PROMISSORY NOTE

1996067 05/14/01 0213PM
MONIKA TODD CLK&REC MESA COUNTY CO
REC FEE \$5.00

\$24,956.33

Grand Junction, Colorado

MAY
~~April~~ 9th 2001

FOR VALUE RECEIVED, the undersigned promises to pay to the order of THE CITY OF GRAND JUNCTION, CO, at Grand Junction, CO, or at such other place as may be designated in writing by the holder, the sum of TWENTY-FOUR THOUSAND NINE HUNDRED FIFTY-SIX AND 33/100THS DOLLARS (\$24,956.33) which shall bear interest at the rate of eight percent (8%) per annum, payable as follows:

On or before ~~April~~ 9th, 2004.
may

This Note is secured by a Deed of Trust of even date to the Public Trustee of Mesa County, State of Colorado. Said Deed of Trust is on property situated in Mesa County.

Maker shall have the right to prepay at any time without penalty. The Maker and the other parties liable or who become liable for the payment of this Note expressly agree that this Note, or any payment thereunder, may be extended from time to time, or the terms of payment may otherwise be varied by agreement between the holder hereof and any owner of the security described herein without in any way affecting the liability of the Maker or other parties liable or who become liable for payment of this Note.

If this Note is sued upon, or placed in the hands of an attorney for collection or the security securing same is foreclosed, then the undersigned agrees to pay all costs of collection, plus a reasonable charge as attorney's fees.

NORTHWEST PLATEAU DEVELOPMENT, INC.

By: *John R. Hylle*
President

FPP-2000-101