

Abstract & Title Company of Mesa County

605 25 Road, Suite 201
Grand Junction, CO 81505
PHONE: 970-242-8234 FAX: 970-241-4925

SELLERS SETTLEMENT STATEMENT

SETTLEMENT DATE: July 17, 2014
PROPERTY ADDRESS: 2395 Monument Road
Grand Junction, CO 81507
SELLER: Mesa County Land Conservancy, Inc. a
Colorado Nonprofit Corporation, doing
business as Mesa Land Trust

CASE NO.: 2683CEM
DATE OF PRORATION: July 17, 2014

PURCHASER: City of Grand Junction, a Colorado
Home Rule Municipality

LEGAL DESCRIPTION: 29,1S,1W, County of Mesa, State of
Colorado.

DESCRIPTION	DEBIT	CREDIT
Contract Sales Price		\$103,875.00
Contribution on Files/MLT transaction	\$103,875.00	
Settlement or closing fee to Abstract & Title Company of Mesa County	\$200.00	
Title insurance to Abstract & Title Company of Mesa County	\$341.00	
Recording Fees to Mesa County Clerk And Recorder	\$146.00	
Sub-totals	\$104,562.00	\$103,875.00
Balance Due From Seller		\$687.00
TOTALS	\$104,562.00	\$104,562.00

APPROVED AND ACCEPTED

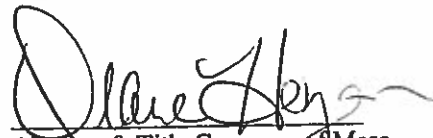
Sales or use taxes on personal property not included. ABSTRACT & TITLE COMPANY OF MESA COUNTY assumes no responsibility for the adjustment of special taxes or assessments unless they are shown on the Treasurer's Certificate of Taxes Due. The condition of title to the property is to be determined by reference to the title evidence provided by Seller or by personal investigation. The above statement of settlement is approved as of the settlement date shown above and Abstract & Title Company of Mesa County is hereby authorized to disburse funds as indicated herein.

Seller

Mesa County Land Conservancy, Inc., A Colorado Nonprofit
Corporation, doing business as Mesa Land Trust


By: Stephen McCall - Vice President

Closing Agent


Abstract & Title Company of Mesa
County

Abstract & Title Company of Mesa County

605 25 Road, Suite 201
Grand Junction, CO 81505

PHONE: 970-242-8234

FAX: 970-241-4925

PURCHASERS SETTLEMENT STATEMENT

SETTLEMENT DATE: July 17, 2014
PROPERTY ADDRESS: 2395 Monument Road
Grand Junction, CO 81507
SELLER: Mesa County Land Conservancy, Inc. a
Colorado Nonprofit Corporation, doing
business as Mesa Land Trust
PURCHASER: City of Grand Junction, a Colorado Home
Rule Municipality
CASE NO.: 2683CEM
DATE OF PRORATION: July 17, 2014
LEGAL DESCRIPTION: 29,1S,1W, County of Mesa, State of
Colorado.

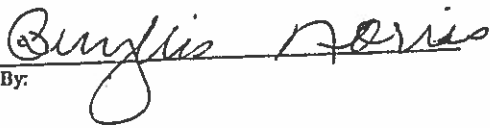
DESCRIPTION	DEBIT	CREDIT
Contribution on Files/MLT transaction	\$103,875.00	\$103,875.00
Contract Sales Price		
2013 Property Taxes (\$2,459.48 POC) to Mesa County Treasurer	\$103,875.00	\$103,875.00
Sub-totals		\$0.00
Balance Due From Purchaser	\$103,875.00	\$103,875.00
TOTALS		

APPROVED AND ACCEPTED

Sales or use taxes on personal property not included ABSTRACT & TITLE COMPANY OF MESA COUNTY assumes no responsibility for the adjustment of special taxes or assessments unless they are shown on the Treasurer's Certificate of Taxes Due. The condition of title to the property is to be determined by reference to the title evidence provided by Seller or by personal investigation. The above statement of settlement is approved as of the settlement date shown above and Escrow Holder is hereby authorized to disburse as Trustee funds as indicated.

Purchaser

City of Grand Junction, A Colorado Home Rule Municipality

By: 

Closing Agent


Abstract & Title Company of Mesa
County

RESOLUTION NO. 23-14

**A RESOLUTION RATIFYING THE ACQUISITION OF THE MEENS AND FILES
PROPERTIES LOCATED SOUTH AND WEST OF MONUMENT ROAD ALSO
KNOWN AS THE "MONUMENT ROAD" BOOKENDS**

RECITALS:

With the adoption of the 2014 budget the City Council committed \$150,000.00 toward the purchase by the Mesa Land Trust, together with funding from Great Outdoors Colorado (GOCO) and private donations, of two parcels of land located south and west of Grand Junction known as the Meens and Files properties. The City Council agreed to help facilitate the transactions in order to add to the public open space in the vicinity, including but not limited to, the Three Sisters property.

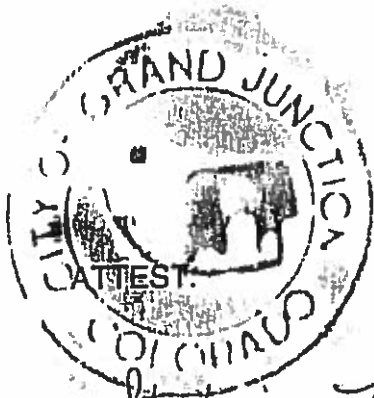
The Meens and Files properties are collectively known as the "bookends" to the Three Sisters property. Together these properties will provide an easily accessible addition to the public lands that are popular for biking and hiking.

The parties have worked diligently and highly cooperatively to make the acquisitions a reality and both sales are set to close on July 17 (Meens) and July 24 (Files) 2014. The necessary agreements for the attainment of the properties and their preservation through perpetual conservation easements need to be executed and by and with this Resolution the City Council authorizes the Mayor and/or the City Manager to 1) pay the City's obligation toward the purchases and 2) to execute the documents and otherwise complete the purchase of the Meens and Files properties with full and formal ratification, confirmation and consent of the City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO, THAT the City, by and through the City Council and the signature of its President, does hereby ratify the actions taken by the City staff in furtherance of the acquisition of the properties, and;

FURTHERMORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO THAT the City, by and through the City Council and the signature of its President, does authorize the President of the Council (Mayor) and/or City Manager to execute the contracts, deeds, conservation easements, plats and any and all other necessary documents to acquire the Meens and Files "bookends" properties as the same have been identified heretofore and herewith.

PASSED and ADOPTED this 16th day of July, 2014



Stephanie Linn
City Clerk

Quayle Morris
President of the City Council

GENERAL WARRANTY DEED
(Files Property)

THIS GENERAL WARRANTY DEED is granted this 15 day of July, 2014, by **DOYLE L. FILES** and **SANDRA P. FILES** as tenants in common as to Parcel No. 1 and **DOYLE FILES** and **SANDRA FILES** as joint tenants as to Parcel Nos. 2 and 3, ("Grantor"), for the consideration of Three Hundred Eighty Thousand and no/100s Dollars (\$380,000.00) and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, which hereby grants, bargains, sells, conveys and confirms to **MESA COUNTY LAND CONSERVANCY, INC.**, a Colorado nonprofit corporation (d/b/a **Mesa Land Trust**), 1006 Main Street, Grand Junction, Colorado, 81501 ("Grantee"), and to its successors and assigns forever, the following described property located in Mesa County, Colorado (the "Property"),

See Exhibit A, attached hereto.

TO HAVE AND TO HOLD the said premises above bargained and described, with the appurtenances, and including water rights, if any, appurtenant to or associated with the Property unto the Grantee, its successors and assigns forever and with any and all prescriptive rights of access which benefit the Property unto the Grantee, its successors and assigns forever. And the Grantor, for itself and its personal representatives, does covenant, grant, bargain and agree to and with the Grantee, its successors and assigns, that at the time of the delivery of this deed, it is well seized of the premises above conveyed, has good, sure, perfect, absolute and indefeasible estate of inheritance, in law, in fee simple, and has good right, full power and lawful authority to grant, bargain, sell and convey the same in manner and form as aforesaid, and that the same are free and clear from all former and other grants, bargains, sales, liens, taxes, assessments, encumbrances and restrictions of whatever kind or nature soever, except (1) reservation of right of way for any ditches or canals constructed by the authority of United States in U.S. Patent recorded December 10, 1919 in Book 230 at Page 143, Reception No. 156280; (2) terms, agreements, conditions and obligations as contained in Ordinance No. 3566 recorded September 5, 2003 in Book 3475 at Page 805, Reception No. 2146615; (3) terms, agreements, conditions and obligations as contained in Resolution No. 79-03 recorded in Book 3475 at Page 807, Resolution No. 2146616; (4) terms, agreements, conditions and obligations as contained in City Resolution No. 87-03, County Resolution No. MCM 2003-139 recorded September 29, 2003 in Book 3495 as Page 113 as Reception No. 2150827; (5) reservation of right of proprietor of any penetrating vein or lode to extract his ore, in U.S. Patent recorded June 13, 1910 in Book 163 at Page 14, Reception No. 92300; (6) and reservation of right of way for any ditches or canals constructed by the authority of United States in U.S. Patent recorded June 13, 1910 in Book 163 at Page 14, Reception No. 92300.

The Grantor shall and will WARRANT AND FOREVER DEFEND the above-bargained premises in the quiet and peaceable possession of the Grantee, its successors and assigns, against all and every person or persons lawfully claiming the whole or any part thereof.



IN WITNESS WHEREOF, the undersigned has duly executed this instrument on the date shown above.

Grantor:

Parcel No. 1

Doyle L Files

Doyle L. Files

Sandra P Files

Sandra P. Files

Parcel No. 2 and Parcel No. 3

Doyle Files

Doyle Files

Sandra Files

Sandra Files

STATE OF _____)

COUNTY OF _____) ss:

On this _____ day of _____, 2014, before me, the undersigned, a Notary Public in and for the jurisdiction aforesaid, personally appeared Doyle L. Files, also known as Doyle Files, and Sandra P. Files, also known as Sandra Files, as Grantor, known to me to be the person who executed the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

PLEASE SEE ATTACHED

Notary Public

My Commission Expires: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

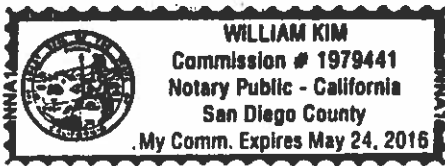
County of SAN DIEGO

On JULY 15TH, 2014 before me, WILLIAM KIM, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

personally appeared SANDRA P. FILES AND DOYLE L. FILES, SANDRA FILES
Name(s) of Signer(s)

AND DOYLE FILES

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer — Title(s): _____

Individual

Partner — Limited General

Attorney in Fact

Trustee

Guardian or Conservator

Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer's Name: _____

Corporate Officer — Title(s): _____

Individual

Partner — Limited General

Attorney in Fact

Trustee

Guardian or Conservator

Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

EXHIBIT "A"
DESCRIPTION OF PROPERTY
(Page 1 of 2)

PARCEL NO. 1

2945-291-00-066

The NE 1/4 NE 1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian;
EXCEPT tract conveyed to County of Mesa by instrument recorded October 1, 1971 in Book 964 at Page 653 for road purposes.

PARCEL NO. 2

2945-291-00-123

A parcel of land being a part of the E1/4 of the NW 1/4 of the NE 1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado and considering the West line of the NW 1/4 of the NE 1/4 of Section 29 to bear North 00°09'54" West and all bearings contained herein being relative thereto, being more particularly described as follows:

Beginning at the SE corner of the E1/4 of said NW1/4 of the NE1/4, being a rebar with 1-1/2" aluminum cap stamped NE 1/16, PELS 5933, South 89°57'23" West along the South line of said E1/4 a distance of 330.46 feet to the SW corner of said E1/4;

thence N 00°09'27" West along the West line of said E1/4 a distance of 1035.75 feet to the Southerly right-of-way of Monument Road as deeded to the County of Mesa and recorded in Book 968 at Page 869 in the office of the Mesa County Clerk and Recorder;

thence along said right-of-way a distance of 337.17 feet along the arc of a non-tangent curve concave Southerly, whence the radius point bears South 18°32'40" East, having a radius of 5699.58 feet and a central angle of 03°23'22", whose long chord bears N 73°09'01" East a distance of 337.11 feet;

thence tangent to said curve North 74°50'42" East a distance of 7.87 feet to the East line of said E1/4;

thence leaving said Southerly right-of-way South 00°09'18" East a distance of 1135.27 feet to the point of beginning.

EXHIBIT A
(Page 2 of 2)

PARCEL NO. 3

2945-291-00-124

A parcel of land being a part of the E1/4 of the NW1/4 of the NE1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado, and considering the West line of the NW1/4 of the NE 1/4 of Section 29 to bear North 00°09'54" West and all bearings contained herein being relative thereto, being more particularly described as follows:

Beginning at the Northeast corner of the E1/4 of said NW1/4, being a Mesa County Surveyor Brass Cap Monument,

thence South 00°09'18" East along the East line of said E1/4 a distance of 109.30 feet to the Northerly right-of-way of Monument Road as deeded to the County of Mesa and recorded in Book 968 at Page 869 in the Office of the Mesa County Clerk and Recorder;

thence along said right-of-way line South 74°50'42" West a distance of 23.95 feet;

thence 320.78 feet along the arc of a curve concave Southerly having a radius of 5759.58 feet, with a central angle of 03°11'28" whose long chord bears South 73°14'58" West 320.73 feet to the West line of said E1/4;

thence leaving said Northerly right-of-way and along the West line of said E1/4 North 00°09'27" West a distance of 209.33 feet to the Northwest corner of said E1/4;

thence South 89°46'11" East along the North line of said E1/4 a distance of 330.52 feet to the point of beginning.



July 10, 2014

VIA E-MAIL to diane@abstracttitle.biz

Re: Mesa Land Trust, Files Property Acquisition and Conservation Easement

Dear Ms. Hagen:

This letter constitutes the closing and escrow instructions of The State Board of the Great Outdoors Colorado Trust Fund (the "Board") for a transaction between DOYLE L. FILES and SANDRA P. FILES (the "Seller"), the MESA COUNTY LAND CONSERVANCY d/b/a MESA LAND TRUST, a Colorado nonprofit corporation ("MLT"), and THE CITY OF GRAND JUNCTION, a Colorado Home Rule Municipality (the "City") concerning real property (the "Property") described in the following commitments issued by Abstract & Title Company of Mesa County ("ATC"):

- 1) Commitment No. 1230CEM version 5 dated effective July 3, 2014 (the "MLT Fee Commitment").
- 2) Commitment No. 2713CEM version 1 dated effective July 3, 2014 (the "MLT CE Commitment").
- 3) Commitment No. 2683CEM version 2 dated effective July 3, 2014 (the "City Fee Commitment").

With this transaction, MLT will purchase the fee interest in the Property. The Board will provide partial funding to MLT for the acquisition in accordance with the Board's grant agreement #14124 between the Board and MLT. Concurrent with this transaction, MLT will convey the Property to the City subject to a reservation of Deed of Conservation Easement as a condition of the Board's grant award. These closing instructions concern the closings of the aforementioned transactions scheduled to occur on July 17, 2014.

ATC will receive a portion of the funds for closing via wire transfer from the Board to ATC, as escrow agent, in the amount of \$239,375.00 (the "Board's Funds"). ATC shall use the Board's Funds to pay a portion of the purchase price for MLT's purchase of the fee interest in the Property and to MLT for transaction costs and the stewardship endowment subject to the terms and conditions contained in this letter. You will receive the remaining funds from the other parties in the transaction.

A. CONDITIONS PRECEDENT TO CLOSING

As conditions precedent to this closing, ATC must first:

1. Receive the Board's Notice of Electronic Funds Transfer;

2. Provide me a draft buyer's settlement statement including line items applying the Board's Funds to the transaction as follows (completed):
- | | |
|---|--------------|
| GOCO funds to purchase price | \$218,000.00 |
| GOCO funds to transaction costs..... | \$13,875.00 |
| GOCO funds toward stewardship endowment | \$7,500.00 |
3. Return a signed copy of this letter to me (via e-mail at cyuanfarrell@goco.org) prior to closing indicating your understanding of the instructions and your irrevocable commitment to accomplish them as instructed;
4. Receive all documents necessary to comply with the requirements in Schedule B-1, of the Commitment, including but not necessarily limited to:
- Any and all documents and/or affidavits necessary to remove exceptions as instructed below;
 - Any and all documents necessary to pay off and extinguish all mortgages, deeds of trust, or other prior liens against the Property so the recorded Conservation Easement will constitute the first priority encumbrance against the Property;
5. Receive directly from or on behalf of the Seller a General Warranty Deed. Confirm the signatures of both the Seller and MLT and confirm that the legal description attached as Exhibit A to the General Warranty Deed matches the legal description in the MLT Fee Commitment;
6. Receive directly from or on behalf of the Seller a Special Warranty Deed with Reservation of Conservation Easement. Confirm the signatures of both MLT and the City and confirm that the legal description attached as Exhibit A to the Special Warranty Deed matches the legal description in the City Fee Commitment. The Reservation of Deed of Conservation Easement shall appear as Exhibit 1 to the Special Warranty Deed. Confirm that Exhibit 1 is identical to the document attached hereto as Exhibit A (the "Conservation Easement"), confirm that it has been signed by the City and MLT, and confirm that the legal description attached to the Conservation Easement as Exhibit B matches the legal description in the MLT CE Commitment;
7. Accomplish all of the requirements in the MLT Fee Commitment and be prepared to issue a corresponding title insurance policy to MLT within 30 days of closing in the amount of \$380,000.00 (the "MLT Fee Policy") that differs from the MLT Fee Commitment only by:
- modifying the effective date to the date of the closing;

- b) removing standard exception 4 relating to mechanic's liens based upon the party's signing of appropriate affidavits;
 - c) modifying exception 6 to read: "All taxes and assessments for the year 2014 and subsequent years, a lien not yet due and payable."; and
 - d) removing exclusion 3(e) from coverage.
8. Accomplish all of the requirements in the MLT CE Commitment and be prepared to issue a corresponding title insurance policy to MLT within 30 days of closing in the amount of \$276,125.00 (the "MLT CE Policy") that differs from the MLT CE Commitment only by:
- a) modifying the effective date to the date of the closing;
 - b) removing standard exception 4 relating to mechanic's liens based upon the party's signing of appropriate affidavits;
 - c) modifying exception 6 to read: "All taxes and assessments for the year 2014 and subsequent years, a lien not yet due and payable."; and
 - d) removing exclusion 3(e) from coverage.
9. Accomplish all of the requirements in the City Fee Commitment and be prepared to issue a corresponding title insurance policy to the City within 30 days of closing in the amount of \$103,875.00 (the "City Fee Policy") that differs from the City Fee Commitment only by:
- a) modifying the effective date to the date of the closing;
 - b) removing standard exception 4 relating to mechanic's liens based upon the party's signing of appropriate affidavits;
 - c) modifying exception 6 to read: "All taxes and assessments for the year 2014 and subsequent years, a lien not yet due and payable."; and
 - d) removing exclusion 3(e) from coverage.
10. Confirm that no additional exceptions will be added to any of the commitments or policies (please note that if any exceptions need to be added to any of the commitments or policies, you must first obtain my review and approval of any such additions before proceeding with the closing tasks described below);
11. Receive Seller's, MLT's, and the City's authorized signatures on all relevant closing documents (facsimile or photographic copies of signatures are acceptable on all documents except those that will be recorded);

12. Provide me with copies of all other documents to be signed and/or recorded at closing; and
13. Confirm in writing my approval of any conflicting instructions or changes proposed by any party to the transaction before taking any action.

B. CLOSING TASKS

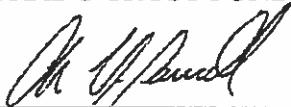
After all of the foregoing conditions precedent to closing have been satisfied, you are hereby authorized and instructed to accomplish these closing tasks in the following order:

1. Record the following documents with the Clerk and Recorder of Mesa County, Colorado in the following order:
 - a) Any and all documents necessary to release or subordinate any mortgages, deeds of trust, or other prior liens against the Property so the recorded Conservation Easement will constitute the first priority encumbrance against the Property;
 - b) General Warranty Deed from Sellers to MLT;
 - c) Special Warranty Deed with Reservation of Conservation Easement from MLT to the City.
2. Disburse the Board's funds in accordance with the signed settlement statements; and
3. Within 30 days of closing, mail to me the copy of this letter showing your original signature below, copies of all recorded documents showing the recording information, and copies of the signed settlement statements, the policies, and any other closing documents signed by the parties. Please address the package to me at the address shown in the footer.

I understand closing on this transaction is scheduled to occur on or before July 17, 2014. If you are unable to close this transaction and accomplish these instructions by 5:00 p.m. on that date, please immediately contact me for further instructions.

Regards,

STATE BOARD OF THE GREAT OUTDOORS
COLORADO TRUST FUND

By: 
Chris Yuan-Farrell, Open Space Program Coordinator

ACCEPTED AND AGREED TO THIS 10th day of July 2014.

Abstract & Title Company of Mesa County

By: Diane Hagen

Name: Diane Hagen

Title: Escrow Officer

Exhibit A

ALLAN C. BEEZLEY, P.C.
Attorney and Counselor at Law

1928 14th Street, Suite 300
Boulder, CO 80302
(303) 440-5867
(303) 539-6530 (fax)

July 11, 2014

Ms. Diane Hagen
Abstract & Title Co. of Mesa County, Inc.
1114 N. 1st Street, Suite 201
Grand Junction, CO 81501

VIA EMAIL

Re: Mesa Land Trust, Files Property, Mesa County, Colorado

Contract for Sale of Real Estate between Doyle L. Files and Sandra P. Files, as "Seller", and Mesa County Land Conservancy b/d/b/a Mesa Land Trust, as Purchaser, dated effective as of July 17, 2013, together with Amendment to Contract for Sale of Real estate dated effective as of August 30, 2013, together with Extension Letter dated April 4, 2014 (together, the "Contract").

Mesa Land Trust, Files Property, Mesa County, Colorado; Abstract & Title Company of Mesa County Title Commitment No. 1230CEM Version No. 5, effective date of July 3, 2014 (the "MLT Fee Commitment").

Abstract & Title Company of Mesa County Title Commitment No. 2713CEM Version No. 1, effective date of July 3, 2014 (the "MLT CE Commitment")

Abstract & Title Company of Mesa County Title Commitment No. 2683CEM Version No. 2, effective date of July 3, 2014 (the "City Fee Commitment")

Last Day to Close: August 15, 2014
Scheduled Closing: July 17, 2014, or as soon thereafter as conditions of closing are satisfied

Dear Diane:

This letter constitutes the escrow and closing instructions of The Mesa County Land Conservancy, doing business as the Mesa Land Trust ("MLT"), to you for closing on the Contract described above. The Contract provides for bargain sale by the Seller of the fee interest in the approximately 49.45 -acre property, more or less, located in Mesa County, Colorado, described in your Commitment (the "Property") for the purchase price of \$380,000. **Closing is scheduled to occur at your offices on July 17, 2014, or as soon thereafter as conditions of closing are satisfied.**

As part of this same transaction, MLT will convey the Property to the City of Grand Junction, Colorado (the "City"), subject to the reservation of a Deed of Conservation Easement.

Ms. Diane Hagen
Abstract and Title Company of Mesa County, Inc
Commitment No. 1230CEM
Files – Mesa County Land Conservancy – GOCO
Closing Instructions of Mesa Land Trust
July 11, 2014
Page 2

This letter has been countersigned on behalf of the City evidencing its agreement to close on the terms and conditions described herein.

Funding for the purchase will be provided in part by the State Board of the Great Outdoors Colorado Trust Fund (“GOCO”) and in part by the funding sources named below.

1. **Funds Delivered:** Funds in the following amounts will be paid by wire transfer or other immediately available funds, from or on behalf of MLT:
 - 1.1. \$239,375.00 from GOCO (\$218,000.00 to be applied to the purchase price, \$13,875.00 to be reimbursed to MLT for transaction costs and \$7,500.00 to be paid to MLT for a stewardship fund).
 - 1.2. \$103,875.00 from the City of Grand Junction (\$90,000 of which is to be applied to the purchase price, \$6,375 of which is to be reimbursed to MLT for transaction costs and \$7,500 of which is to be paid to MLT for a stewardship fund).
 - 1.3. \$45,000.00 from MLT (funds which MLT received from Mike O’Brien for this transaction), all of which is to be applied to the purchase price.
 - 1.4. \$10,000 from MLT (funds which MLT received from the Gates Family Foundation for this transaction), all of which is to be applied to the purchase price.
 - 1.5. \$17,000 from MLT (funds from MLT and other sources), all of which is to be applied to the purchase price.
2. **Conditions Precedent to Closing.** The following are conditions precedent to your closing on the Contract.
 - 2.1. You must receive from or on behalf of the Seller fully executed originals of the following documents:
 - 2.1.1. **New Statement of Authority** for MLT.
 - 2.1.2. **General Warranty Deed** from Files to MLT.
 - 2.1.3. **Special Warranty Deed with Reservation of Conservation Easement** from MLT to the City.
 - 2.2. **MLT Fee Commitment.** The Title Company shall be prepared to issue a title insurance policy in the amount of \$380,000 immediately upon closing, based upon the MLT Fee Commitment, which Commitment must be updated as

described herein, insuring the conservation easement interest in the Mesa County Land Conservancy, a Colorado nonprofit corporation, doing business as Mesa Land Trust, subject only to the following:

- 2.2.1. All requirements must be satisfied at closing.
 - 2.2.2. Exception 4 – Mechanic’s Liens. The Grantor shall sign a mechanic’s lien affidavit and this exception shall be removed from the final title policy.
 - 2.2.3. Exception 6 – Unpaid Taxes. Any and all unpaid taxes, assessments and unredeemed tax sales. This exception shall be deleted in the final policy upon satisfactory evidence that all taxes and assessments for the Property are paid in full.
 - 2.2.4. Exclusion 3(e) from Coverage. As noted, this exclusion will be deleted in the final policy.
- 2.3. MLT CE Commitment. The Title Company shall be prepared to issue a title insurance policy in the amount of \$276,125 immediately upon closing, based upon the MLT CE Commitment, which Commitment must be updated as described herein, insuring the conservation easement interest in the Mesa County Land Conservancy, a Colorado nonprofit corporation, doing business as Mesa Land Trust, subject only to the following:
- 2.3.1. All requirements must be satisfied at closing. Note that Requirement (3) will be satisfied by MLT’s Reservation of Conservation Easement in the Special Warranty Deed to the City.
 - 2.3.2. Exception 4 – Mechanic’s Liens. The Grantor shall sign a mechanic’s lien affidavit and this exception shall be removed from the final title policy.
 - 2.3.3. Exception 6 – Unpaid Taxes. Any and all unpaid taxes, assessments and unredeemed tax sales. This exception shall be deleted in the final policy upon satisfactory evidence that all taxes and assessments for the Property are paid in full.
 - 2.3.4. Exclusion 3(e) from Coverage. As noted, this exclusion will be deleted in the final policy.
- 2.4. City Fee Commitment. The Title Company shall be prepared to issue a title insurance policy in the amount of \$103,875 immediately upon closing, based upon the City Fee Commitment, which Commitment must be updated as

described herein, insuring the conservation easement interest in the Mesa County Land Conservancy, a Colorado nonprofit corporation, doing business as Mesa Land Trust, subject only to the following:

- 2.4.1. All requirements must be satisfied at closing.
- 2.4.2. Exception 4 – Mechanic’s Liens. The Grantor shall sign a mechanic’s lien affidavit and this exception shall be removed from the final title policy.
- 2.4.3. Exception 6 –Unpaid Taxes. Any and all unpaid taxes, assessments and unredeemed tax sales. This exception shall be deleted in the final policy upon satisfactory evidence that all taxes and assessments for the Property are paid in full.
- 2.4.4. Exclusion 3(e) from Coverage. As noted, this exclusion will be deleted in the final policy.
- 2.5. Real property taxes and assessments which are a lien or which are due and payable shall be paid at closing. Taxes for the current year shall be prorated to the date of closing.
- 2.6. Closing Costs for Seller to MLT. Note that the Seller and MLT will pay closing fees equally. Per page recording fees and documentary fees for the Conservation Easement will be paid by MLT. Any other recording costs shall be paid by the Seller. Any sales or property transfer tax will be paid by the Seller. The Seller will pay the premium for the title insurance policy and any endorsements issued pursuant to the MLT Fee Commitment. As provided in paragraph 3.1 of the Contract, at closing Seller shall reimburse MLT the amount of \$3,000 for the cost of the appraisal.
- 2.7. Closing Costs for MLT to City. All recording costs, documentary fees, closing costs shall be paid by MLT. The premium for the title insurance policy issued to the City shall be paid by MLT. The premium for the title insurance policies issued pursuant to the MLT CE Commitment and the City Fee Commitment shall be paid by MLT. All recording costs, documentary fees, closing costs shall be paid by MLT.
- 2.8. Title is to be brought down to date, and the final policy based upon the MLT Fee Commitment is to insure the Mesa County Land Conservancy, a Colorado nonprofit corporation, doing business as Mesa Land Trust, as 100% owner of the fee interest, as of the date of Closing, not as of the date of the title report.

- 2.9. Title is to be brought down to date, and the final policy based upon the MLT CE Commitment is to insure the Mesa County Land Conservancy, a Colorado nonprofit corporation, doing business as Mesa Land Trust, as 100% owner of the conservation easement interest, as of the date of Closing, not as of the date of the title report.
- 2.10. Title is to be brought down to date, and the final policy based upon the City Fee Commitment is to insure the City as 100% owner of the fee interest subject to the Conservation Easement reserved to MLT, as of the date of closing, not as of the date of the title report.
- 2.11. You must receive funds for the purchase price and closing costs from or on behalf of MLT.
- 2.12. **The Title Company must return a signed copy of this closing instruction letter to me prior to closing.**
- 2.13. **You must receive written authorization from GOCO to close.**
- 2.14. **The Title Company shall issue the title insurance policies within 10 days of closing.**
3. **Closing:** At such time as you have fully complied with the conditions set forth in paragraph 2 above and each of said conditions has fully and completely occurred, you shall close as follows:
 - 3.1. **Recording of Documents.** You shall record documents in the following order:
 - 3.1.1. **Statement of Authority for MLT.**
 - 3.1.2. **General Warranty Deed from Files to MLT.**
 - 3.1.3. **Special Warranty Deed with Reservation of Conservation Easement from MLT to the City.**
 - 3.2. **Proceeds.** The net proceeds of the sale under the Contract shall be paid to the Seller as the Seller shall direct **you no earlier than the recording of the General Warranty Deed from the Seller to MLT.**
 - 3.3. **MLT Reimbursement.** The amount of \$20,250 (less MLT's closing costs) shall be reimbursed to MLT for transaction costs, the amount of \$3,000 shall be reimbursed to MLT for the cost of the appraisal, and the amount of \$15,000 shall be paid to MLT for a stewardship fund.

Ms. Diane Hagen
Abstract and Title Company of Mesa County, Inc
Commitment No. 1230CEM
Files – Mesa County Land Conservancy – GOCO
Closing Instructions of Mesa Land Trust
July 11, 2014
Page 6

4. After Closing.

- 4.1. After closing, please deliver the original recorded **Statement of Authority**, the original recorded **General Warranty Deed**, a copy of the recorded **Special Warranty Deed with Reservation of Conservation Easement**, the original **MLT Fee and MLT CE title insurance policies**, a copy of the **City Fee title insurance policy**, a signed copy of this closing instruction letter, and copies of all closing documents to Ms. Libby Collins, Mesa Land Trust, 1006 Main Street, Grand Junction, CO 81501.
- 4.2. After closing, please deliver the original recorded **Special Warranty Deed with Reservation of Conservation Easement**, copies of the recorded **Statement of Authority and General Warranty Deed**, the original **City Fee title insurance policy**, a countersigned copy of this closing instruction letter, and copies of all City closing documents to the City as it shall direct you.
- 4.3. Please deliver copies of the recorded documents, the final policy of title insurance and all closing and other documents referred to in paragraph 4.1 and the title insurance policy to:
 - 4.3.1. Mr. Chris Yuan-Farrell, Great Outdoors Colorado Trust Fund, 303 East 17th Ave., Suite 1060, Denver, CO 80203.
 - 4.3.2. Allan C. Beezley, 1928 14th Street, Suite 300, Boulder, CO 80302.
- 4.4. Please deliver a copy of the recorded **General Warranty Deed** and the Seller's closing documents to the Seller as the Seller shall direct you.

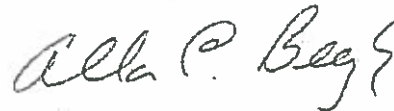
Please acknowledge receipt of this letter of instruction, any documents transmitted herewith and your agreement to carry out the instructions set forth herein by having a copy of this letter executed by an authorized officer of Abstract & Title Co. of Mesa County in the space provided for such officer's signature and by returning the executed copy to me.

In the event that the terms of the Contract conflict or if any other escrow instructions conflict with terms of these escrow instructions, these instructions shall control.

Ms. Diane Hagen
Abstract and Title Company of Mesa County, Inc
Commitment No. 1230CEM
Files – Mesa County Land Conservancy – GOCO
Closing Instructions of Mesa Land Trust
July 11, 2014
Page 7

Should you have any questions about the foregoing, or any enclosed documents, please do not hesitate to contact me.

Sincerely,



Allan C. Beezley

ACCEPTED AND AGREED TO THIS 11 DAY OF JULY, 2014.

City of Grand Junction, a Colorado Home Rule Municipality

By 

Its City Attorney

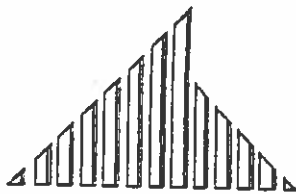
ACCEPTED AND AGREED TO THIS 11 DAY OF JULY, 2014.

Abstract & Title Co. of Mesa County, Inc.

By 

Its Escrow Officer

cc: Libby Collins, Rob Bleiberg, MLT
Chris Yuan-Farrell, GOCO



**ABSTRACT & TITLE COMPANY
OF MESA COUNTY**

605 25 Rd, Suite 201, P.O. Box 3738, Grand Junction, CO 81502 PH 970-242-8234 FAX 970-241-4925

Please find enclosed your original and recorded Documents from your closing.

Please store in a safe place. If you have any questions, please feel free to contact us.

It was a pleasure doing business with you. Please keep Abstract & Title Company in mind for future transactions.

RECEPTION #: 2696439, BK 5623
PG 1 07/18/2014 at 03:07:57 PM, 1
OF 27, R \$140.00 S \$1.00 D \$0.00
EXEMPT
Sheila Reiner, Mesa County, CO
CLERK AND RECORDER

SPECIAL WARRANTY DEED
(Files Property, Mesa County, CO)

THIS SPECIAL WARRANTY DEED, is granted this 17 day of July, 2014, by MESA COUNTY LAND CONSERVANCY, INC., a Colorado nonprofit corporation (d/b/a Mesa Land Trust), 1006 Main Street, Grand Junction, Colorado, 81501 ("Grantor") for the consideration of Ten and No/100s Dollars (\$10.00) and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, which hereby sells and conveys to the CITY OF GRAND JUNCTION, a Colorado Home Rule Municipality, the address of which is 250 North 5th Street, Grand Junction, CO 81521 the ("Grantee"), and to its successors and assigns forever, the following described property, known as the "Files Property" or the "Property"),

See Exhibit "A", attached hereto and incorporated by reference.

with all of its appurtenances, and warrants the title against all persons claiming under Grantor, subject to taxes for the year 2014 and subsequent years, and subject to: (1) reservation of right of way for any ditches or canals constructed by the authority of United States in U.S. Patent recorded December 10, 1919 in Book 230 at Page 143, Reception No. 156280; (2) terms, agreements, conditions and obligations as contained in Ordinance No. 3566 recorded September 5, 2003 in Book 3475 at Page 805, Reception No. 2146615; (3) terms, agreements, conditions and obligations as contained in Resolution No. 79-03 recorded in Book 3475 at Page 807, Resolution No. 2146616; (4) terms, agreements, conditions and obligations as contained in City Resolution No. 87-03, County Resolution No. MCM 2003-139 recorded September 29, 2003 in Book 3495 as Page 113 as Reception No. 2150827; (5) reservation of right of proprietor of any penetrating vein or lode to extract his ore, in U.S. Patent recorded June 13, 1910 in Book 163 at Page 14, Reception No. 92300; (6) reservation of right of way for any ditches or canals constructed by the authority of United States in U.S. Patent recorded June 13, 1910 in Book 163 at Page 14, Reception No. 92300; and (7) the Reservation of Deed of Conservation Easement by the Grantor for the Files Property, attached hereto as Exhibit 1.

IN WITNESS WHEREOF, this instrument is executed on the date written above.



GRANTOR: Mesa County Land Conservancy, Inc., a Colorado nonprofit corporation (d/b/a Mesa Land Trust)

By: Stephen McCall

Title: Vice-president

STATE OF COLORADO)
) ss.
COUNTY OF MESA)

The foregoing instrument was acknowledged before me this 17 day of July, 2014, by Stephen McCall as Vice-President of Mesa County Land Conservancy, Inc., a Colorado nonprofit corporation (d/b/a Mesa Land Trust).

WITNESS my hand and official seal.

My commission expires: _____.

(SEAL)

Diane Hagen
Notary Public



EXHIBIT "A"
DESCRIPTION OF PROPERTY
(Page 1 of 2)

PARCEL NO. 1

2945-291-00-066

The NE1/4 NE1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian; EXCEPT tract conveyed to County of Mesa by instrument recorded October 1, 1971 in Book 964 at Page 653 for road purposes.

PARCEL NO. 2

2945-291-00-123

A parcel of land being a part of the E1/4 of the NW 1/4 of the NE 1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado and considering the West line of the NW 1/4 of the NE 1/4 of Section 29 to bear North 00°09'54" West and all bearings contained herein being relative thereto, being more particularly described as follows:

Beginning at the SE corner of the E1/4 of said NW1/4 of the NE1/4, being a rebar with 1-1/2" aluminum cap stamped NE 1/16, PELS 5933, South 89°57'23" West along the South line of said E1/4 a distance of 330.46 feet to the SW corner of said E1/4;

thence N 00°09'27" West along the West line of said E1/4 a distance of 1035.75 feet to the Southerly right-of-way of Monument Road as deeded to the County of Mesa and recorded in Book 968 at Page 869 in the office of the Mesa County Clerk and Recorder;

thence along said right-of-way a distance of 337.17 feet along the arc of a non-tangent curve concave Southerly, whence the radius point bears South 18°32'40" East, having a radius of 5699.58 feet and a central angle of 03°23'22", whose long chord bears N 73°09'01" East a distance of 337.11 feet;

thence tangent to said curve North 74°50'42" East a distance of 7.87 feet to the East line of said E1/4;

thence leaving said Southerly right-of-way South 00°09'18" East a distance of 1135.27 feet to the point of beginning.

EXHIBIT A
(Page 2 of 2)

PARCEL NO. 3

2945-291-00-124

A parcel of land being a part of the E1/4 of the NW1/4 of the NE1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado, and considering the West line of the NW1/4 of the NE 1/4 of Section 29 to bear North 00°09'54" West and all bearings contained herein being relative thereto, being more particularly described as follows:

Beginning at the Northeast corner of the E1/4 of said NW1/4, being a Mesa County Surveyor Brass Cap Monument,

thence South 00°09'18" East along the East line of said E1/4 a distance of 109.30 feet to the Northerly right-of-way of Monument Road as deeded to the County of Mesa and recorded in Book 968 at Page 869 in the Office of the Mesa County Clerk and Recorder;

thence along said right-of-way line South 74°50'42" West a distance of 23.95 feet;

thence 320.78 feet along the arc of a curve concave Southerly having a radius of 5759.58 feet, with a central angle of 03°11'28" whose long chord bears South 73°14'58" West 320.73 feet to the West line of said E1/4;

thence leaving said Northerly right-of-way and along the West line of said E1/4 North 00°09'27" West a distance of 209.33 feet to the Northwest corner of said E1/4;

thence South 89°46'11" East along the North line of said E1/4 a distance of 330.52 feet to the point of beginning.

EXHIBIT 1

Reserved Deed of Conservation Easement

(attach Deed of Conservation Easement)

**RESERVATION OF
DEED OF CONSERVATION EASEMENT**

Mesa Land Trust
Files Property, Mesa County, CO

NOTICE: THIS PROPERTY INTEREST HAS BEEN ACQUIRED IN PART WITH A GRANT #14124 (“GRANT”) FROM THE STATE BOARD OF THE GREAT OUTDOORS COLORADO TRUST FUND (“BOARD”). THIS DEED OF CONSERVATION EASEMENT CONTAINS RESTRICTIONS ON THE USE AND DEVELOPMENT OF THE PROPERTY WHICH ARE INTENDED TO PROTECT ITS OPEN SPACE AND OTHER CONSERVATION VALUES. THE BOARD HAS FOUND THAT THIS DEED OF CONSERVATION EASEMENT PROVIDES BENEFITS THAT ARE IN THE PUBLIC INTEREST.

THIS RESERVATION OF DEED OF CONSERVATION EASEMENT (the “Easement” or the “Deed”) is made this 17 day of July, 2014, by the MESA COUNTY LAND CONSERVANCY, INC., a Colorado nonprofit corporation, doing business as MESA LAND TRUST, 1006 Main Street, Grand Junction, Colorado, 81501 (referred to herein as the “Conservancy”), which is conveying the Property described in Exhibit A herein subject to the reservation of this Deed of Conservation Easement, to the CITY OF GRAND JUNCTION, a Colorado Home Rule Municipality, the address of which is 250 North 5th Street, Grand Junction, CO 81521 (for purposes of this reservation referred to herein as the “Grantor” or the “City”), for the purpose of forever conserving the open space and character of the land, wildlife habitat, scenic qualities and recreational values of the Property. The City has executed this reservation of Deed of Conservation Easement for the purpose of acknowledging that the Property is being conveyed to it subject to the terms of this Deed of Conservation Easement. The Grantor and the Conservancy are individually referred to herein as a “Party”, and are collectively referred to herein as the “Parties”.

The following Exhibits are attached hereto and made a part of this Conservation Easement:

- Exhibit A - Description of the Property
- Exhibit B - Map of Property

RECITALS:

- A) The Conservancy is the sole owner in fee simple of approximately 48.3 acres of land, more or less, located in Mesa County, Colorado legally described in **Exhibit A** and depicted on **Exhibit B** attached to and made a part of this Deed, as described herein (the “Property”). The Conservancy intends, as owner of the Property, to reserve to itself in the conveyance of the fee title to the City, the right to preserve and protect in perpetuity, as provided for herein, the Conservation Values of the Property, as described herein. The City accepts conveyance of the fee title to the Property subject to the terms and conditions of this Reservation of Deed of Conservation Easement which the Conservancy reserves in order to preserve and protect in perpetuity the Conservation Values of the Property.
- B) The open space, scenic vistas, wildlife habitat, recreational and other characteristics of the Property, its current use and state of improvement, are described in a “*Present Conditions*”

Report ("Baseline Report") dated July 7, 2014, and has been acknowledged in writing by the Parties to be complete and accurate as of the date of this Easement. Both the Grantor and Conservancy shall keep signed copies of the Baseline Report. The Baseline Report is intended to be the best evidence to establish the present condition of the Property if there is a controversy over its use, but is not intended to preclude the use of other evidence to establish the condition of the Property as of the date of this Easement.

- C) The Property possesses *natural, scenic, open space, wildlife habitat and recreational values* (collectively, the "**Conservation Values**") of great importance to the Conservancy, the people of Mesa County, the State of Colorado, and the United States of America, which are worthy of protection, and which are described in the Baseline Report. The conservation purposes described herein are part of the Conservation Values of the Property.
- D) The following conservation purpose, in accordance with Treasury Regulations §1.170A-14(d)(4) is furthered by this Easement, "The preservation of certain open space (including farmland and forest land) for the scenic enjoyment of the general public and will yield a significant public benefit."
- 1) The Property contains an array of Conservation Values that make it an ideal property to conserve, from natural habitat to providing an intact and open viewshed. The Property lies on Monument Road and residents and visitors en-route to the Colorado National Monument enjoy the view of the No Thoroughfare Wash. The Property also lies adjacent to the Lunch Loop trailhead and associated public lands owned by the City of Grand Junction and lands administered by the United States Department of the Interior, Bureau of Land Management ("**BLM**"), which land in turn provides a buffer between developed areas and the Colorado National Monument.
 - 2) The Property is composed of native desert shrub and grass land and contains a wide variety of flowering plant and desert species including Jones' bluestar, blanket flowers, paper flower, prickly pear cactus and many others. Native species such as galleta grass, Indian ricegrass, needle and thread grass, and three-awn are well established and are dominant in many areas, an unusual attribute in a landscape often susceptible to non-native species. There is a likelihood the Property contains two Colorado rare plants, the Colorado hookless cactus which is a federally-listed threatened species and the Grand Junction milkvetch.
 - 3) The native plant habitat supports wildlife populations consisting of resident and non-resident species. The majority of the resident species include reptiles and passerine bird species. Small mammals, mostly rodents are also residents. Larger mammals such as mule deer, red and gray fox, bobcat, and mountain lions use the area as part of their home range. In addition to providing habitat for many common birds and mammals such as the rock squirrel, gray fox, and cottontail rabbit, the Property also provides habitat for the rock wren, bushtit, lark sparrow, Gambel's quail, red-tailed hawk and foraging ground for the peregrine falcon. This natural habitat lies within Grand Junction's city limits and thus provides an important urban open space.
 - 4) No Thoroughfare Wash runs through the Property, draining a good portion of the Colorado National Monument and Glade Park. This wash, with its shrubs, provides excellent cover for birds and mammals.
 - 5) The Property may also contain paleontological resources. The Morrison

Formation is exposed on a portion of the Property and this late Jurassic period strata is considered the most fertile source of dinosaur fossils in North America. Properties located within a few miles of the Property have yielded significant paleontological discoveries. The Property may provide an opportunity for natural history interpretation and research.

- 6) The Property is situated proximate to major growth corridors and increasing development pressures in the area have resulted in a rapid, recent influx of new homes situated on small lots.
 - 7) The preservation of the Property pursuant to this Easement will yield significant public benefit, for at least the following reasons: preservation of the Property will provide important open space and protect scenic vistas, and will buffer the area from surrounding growth. The Property includes significant wildlife and bird habitat, and is in an area which is experiencing substantial development which has reduced open and scenic vistas available to the public; preservation of the Property is consistent with Federal, State and local public conservation programs and with conservation efforts underway on adjoining or nearby properties; development of the Property would contribute to the degradation of the scenic vistas available to the public and to wildlife habitat, resulting in a loss of tourism and commerce to the area.
- E) The following conservation purpose, in accordance with Treasury Regulations §1.170A-14(d)(3) is furthered by this Easement, "To protect significant relatively natural habitat in which a fish, wildlife, or plant community, or similar ecosystem normally lives." The Property provides significant wildlife habitat, including a corridor for wildlife migration to and from adjacent and nearby lands administered by the BLM, and the Colorado National Monument, as further detailed in the Baseline Report.
- 1) The Property is composed of native desert shrub and grass land and contains a wide variety of flowering plant and desert species including Jones' bluestar, blanket flowers, paper flower, prickly pear cactus and many others. Native species such as galleta grass, Indian ricegrass, needle and thread grass, and three-awn are well established and are dominant in many areas, an unusual attribute in a landscape often susceptible to non-native species. There is a likelihood the Property contains two Colorado rare plants, the Colorado hookless cactus which is a federally-listed threatened species and the Grand Junction milkvetch.
 - 2) The native plant habitat supports wildlife populations consisting of resident and non-resident species. The majority of the resident species include reptiles and passerine bird species. Small mammals, mostly rodents are also residents. Larger mammals such as mule deer, red and gray fox, bobcat, and mountain lions use the area as part of their home range. In addition to providing habitat for many common birds and mammals such as the rock squirrel, gray fox, and cottontail rabbit, the Property also provides habitat for the rock wren, bushtit, lark sparrow, Gambel's quail, red-tailed hawk and foraging ground for the peregrine falcon. This natural habitat lies within Grand Junction's city limits and thus provides an important urban open space.
- F) The following conservation purpose, in accordance with Treasury Regulations §1.170A-14(d)(2) is furthered by this Easement, "To preserve land areas for the outdoor recreation of the general public or for the education of the general public." The general public shall have access to the Property for recreational and educational opportunities, as provided herein, subject to the regulations imposed on such use and access imposed by the Grantor as may be necessary to protect the public safety, and to protect the other Conservation

Values of the Property, and to balance wildlife habitat needs and public recreation.

- G) The conservation purposes of this Easement are recognized by, and the grant of this Easement will serve, the following clearly delineated governmental conservation policies:
- 1) Colorado Revised Statutes §38-30.5-101, *et seq.*, provides for the creation of conservation easements to maintain land “in a natural, scenic, or open condition, or for wildlife habitat, or for agricultural ... or other use or condition consistent with the protection of open land, environmental quality or life-sustaining ecological diversity.”
 - 2) The Colorado Wildlife and Parks and Outdoor Recreation statutes, Colorado Revised Statutes Sec. §33-1-101, *et seq.*, which provide that “it is the policy of the state of Colorado that the wildlife and their environment are to be protected, preserved, enhanced, and managed for the use, benefit, and enjoyment of the people of this state and its visitors,” and that “it is the policy of the state of Colorado that the natural, scenic, scientific, and outdoor recreation areas of this state are to be protected, preserved, enhanced, and managed for the use, benefit, and enjoyment of the people of this state and visitors of this state.”
 - 3) The Colorado Department of Transportation statutes, Colorado Revised Statutes §43-1-401, *et seq.*, provide that the preservation and enhancement of the natural and scenic beauty of this state is a matter of substantial state interest.
 - 4) The Western Governors’ Association Policy Resolution 08-21 supports “voluntary incentive-based methods for preserving open space, maintaining land and water for agricultural and timber production, wildlife, and other values.
 - 5) Mesa Countywide Land Use Plan - Conservation Goal: “to encourage preservation of sustainable ecosystems.”
 - 6) Mesa Countywide Land Use Plan - Open Lands and Trails Goals: “to protect important open lands”, “new development should accommodate and protect wildlife habitats” and “to assure that open land is recognized as a limited and valuable resource which must be conserved whenever possible.”
 - 7) In 2002, Mesa County and City of Grand Junction Planning Commissions jointly adopted a Redlands Neighborhood Plan, and that Plan was subsequently incorporated into the Grand Junction Comprehensive Plan by vote of the City Council in February, 2010 (“**Comprehensive Plan**”). Findings supporting the adoption of the Redlands Neighborhood Plan include the following: “Monument Road has been identified as a visually important corridor on the Redlands, providing access to the Tabeguache [Lunch Loop] trailhead and a gateway to the Colorado National Monument. In addition to the ridgeline views along the corridor, the views on either side of the roadway are also of importance to maintain the open vistas to the Monument.” Appendix G (Redlands Neighborhood Plan) of the Comprehensive Plan includes the goals of “Protection of the visual/aesthetic character of the area” and “Conservation of ... natural areas/habitats.” The Redlands Neighborhood Plan includes the following goals: “To develop and maintain an interconnected system of ...trails” and “To include open space corridors and areas ... for recreational, transportation and environmental purposes.”

- 8) Funding for this project has been provided in part by the Great Outdoors Colorado Trust Fund program. The voters of the State of Colorado by adoption of Article XXVII to the Constitution of the State of Colorado, the legislature of the State of Colorado by adoption of enabling legislation, and the Board, by adopting and administering competitive grants application and rigorous due diligence review processes, have established that it is the policy of the State of Colorado and its people to preserve, protect, enhance and manage the state's wildlife, park, river, trail and open space heritage, to protect critical wildlife habitats through the acquisition of lands, leases or easements, and to acquire and manage unique open space and natural areas of statewide significance.
- H) The Conservancy is a charitable organization as described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") and is a "qualified organization" as defined in Section 170(h)(3) of the Code, and a charitable organization as defined in Section 38-30.5-104(2), CRS.
- I) The Grantor and the Conservancy desire to protect the Conservation Values of the Property in perpetuity by creation of a conservation easement in gross under Article 30.5 of Title 38, Colorado Revised Statutes.
- J) The Board of Directors of the Conservancy accepts the responsibility of enforcing the terms of this Easement and upholding its conservation purposes forever.

NOW, THEREFORE, for reasons given, and in consideration of the above and mutual covenants, terms, conditions, and restrictions contained herein, and pursuant to the laws of the State of Colorado, and in particular C.R.S. §38-30.5-101, *et seq.*, the Conservancy, its successors and assigns hereby reserves and Grantor accepts the Property subject to a Conservation Easement in perpetuity, consisting of the rights and restrictions enumerated herein, over and across the Property, exclusively for the purpose of conserving and forever maintaining the open space character, wildlife habitat and scenic qualities of the Property.

1. Purpose. The purpose of this Easement is to ensure that the Conservation Values are preserved and protected in perpetuity ("Purpose"). The Purpose is in accordance with §170(h) of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations adopted pursuant thereto. To effectuate the Purpose of this Easement, Grantor and Conservancy intend to permit only uses of the Property that do not substantially diminish or impair the Conservation Values and to prevent any use of the Property that will substantially diminish or impair the Conservation Values.
2. Permitted Uses of Property. The following uses and practices by Grantor, though not an exhaustive recital, are consistent with and permitted by this Easement. Certain of these consistent uses and practices are identified as being subject to specified conditions or to the requirement of and procedures for prior approval by the Conservancy. Procedures for prior approval are listed below.
 - 2.1. Recreational and Educational Uses; Management Plan.
 - 2.1.1. Recreational and Educational Uses. The Grantor shall have the right to engage in or permit the public to engage in non-motorized educational and recreational activities, such as horseback riding, hiking, bicycling, and other similar recreational uses, subject to the terms of the Public

Access Paragraph 9, herein (“**Recreational and Educational Uses**”). Grantor shall have the right to allow Recreational and Educational Uses which, by way of example only, may include bicycle tours and educational seminars.

2.1.2. Management Plan: Trails, Trail Facilities. Trails for bicycling and hiking (“**Trails**”), and related facilities, such as but not limited to, a trailhead, an informational/directional kiosk, signage, a restroom facility, paved or all-weather surface access to restrooms, and other improvements necessary to support the uses of the Trails (“**Trail Facilities**”), may be constructed, maintained, repaired and replaced on the Property in the locations and in the manner identified in an open space management plan, as approved by the Grantor and the Conservancy and amended from time to time (“**Management Plan**”). Facilities may also include educational shade structures, sidewalks and/or a parking area necessary for expanding trail use capacity for the existing and new Trails. Trails, sidewalks, and the parking area may be dirt or covered in gravel or may be paved, or covered in concrete or other hard-surfaced materials, as provided in the Management Plan. The Management Plan will be created through a process that will include the Conservancy, the City of Grand Junction (Grantor), and other interested parties as designated by the City of Grand Junction and the Conservancy and shall be initially agreed upon within one year of the date of this Easement and shall be reviewed at least every five years and updated if either Party determines an update is necessary. The Management Plan will identify important natural resource values (such as rare plants, paleontological resource and/or scenic views) and ensure that public uses and/or facilities are compatible with preserving the Conservation Values. The Conservancy shall provide a copy of the Management Plan and any subsequent updates to the Board.

2.1.3. Nothing in this Easement shall be deemed to alter protections provided to the Conservancy under C.R.S §33-41-103, or any subsequent legislation. Grantor and the Conservancy specifically agree that the Grantor is both the owner and the manager of the Property, including the manager of recreational activities on the Property, and as provided in C.R.S §33-41-103(2)(d), the Conservancy shall not be held liable for the Grantor’s management of the Property for recreational or any other purposes.

2.2. Trails and Trail Construction.

2.2.1. Trails. Trails and Trail Facilities may be constructed, maintained and managed on the Property in a manner consistent with the Management Plan, by or under the direction of the Grantor or pursuant to a contract entered into by Grantor, with the prior written approval of the Conservancy as provided in Paragraph 19, herein, which approval shall not be unreasonably withheld.

2.2.2. Approval for Trails. The approvals described in Paragraph 2.2.1 shall be given by the Conservancy within 45 days as provided in Paragraph 19, herein, unless it is determined that the proposed activity, or the location of any trails, will substantially diminish or impair the open space or wildlife habitat Conservation Values of the Property or is otherwise inconsistent

with the Purpose of this Easement, in which case permission shall be denied.

- 2.2.3. **Public Use.** Public use of the Trails is allowed, subject to the terms of the Public Access Paragraph 9, herein.
- 2.3. **Fencing.** Exterior boundary fencing shall be allowed on the Property as well as fencing if necessary to protect environmentally sensitive areas or areas containing paleontological resources, and/or for property management purposes.
- 2.4. **Paving; Utilities.** No portion of the Property shall be paved or otherwise covered with concrete, asphalt or other paving materials except as provided in the Management Plan described in Paragraph 2.1.2, above. Grantor may also install, construct and maintain utilities (including above-ground utilities) for the benefit of the Property, but for no other properties.
3. **Prohibited and Restricted Uses.** Any activity on or use of the Property inconsistent with the Purpose of this Easement is prohibited. The following uses and activities are expressly prohibited or restricted:
 - 3.1. **Development Rights.** To fulfill the Purpose of this Easement, the Conservancy hereby reserves all development rights deriving from, based upon or attributable to the Property in any way (“Conservancy’s Development Rights”), except those expressly reserved to the Grantor herein, and the parties agree that Conservancy’s Development Rights shall be held by Conservancy in perpetuity in order to fulfill the Purpose of this Easement, and to ensure that such rights are forever released, terminated and extinguished as to Grantor, and may not be used on or transferred off of the Property to any other property or used for the purpose of calculating permissible lot yield of the Property or any other property.
 - 3.2. **Subdivision.** The Mesa County Assessor has assigned more than one parcel number for the Property; notwithstanding the existence of those numbers for purposes of this Easement the entire Property (including all parcel numbers) is a single parcel encompassed within the perimeter of the land described in **Exhibit A** that shall at all times remain in the same ownership. The Parties agree that the division, subdivision or de facto subdivision of the Property, whether by legal or physical process, into two or more parcels of land or partial or separate interests (including, but not limited to, condominium interests or the partition of undivided interests) is prohibited, except as provided in Paragraph 3.4, below. At all times the Property shall be owned and conveyed as a single parcel, which shall be subject to the provisions of this Deed.
 - 3.3. **Commercial and Industrial Activities.** The Property may not be used for industrial activities or uses. The Property may be used for the Recreational and Educational Uses described in Paragraph 2.1. Commercial uses inconsistent with the Purpose of the Easement are prohibited.
 - 3.4. **Boundary Line Adjustments.** No boundary line adjustment shall be allowed which results in any increased density of development on or off the Property, nor shall this Property be used for calculating density of development or permitted uses on any other property or for the purpose of increasing the density of development or uses that might be permitted on any other property. The

Conservancy, in its discretion, may approve boundary line adjustments if they are consistent with the Purpose of this Easement, provided that at all times the entire Property shall remain subject to this Easement. In addition, with the approval of the Board and subject to the other provisions in Paragraph 14 below, the Grantor and the Conservancy may amend this Easement consistent with the Management Plan to adjust boundary lines so as to improve access to Trails from public roads (including Monument Road), in a manner that also adjusts the description of the Property encumbered by this Easement.

- 3.5. Buildings or Other Structures. No buildings or other similar structures shall be erected or placed on the Property, except as provided in Permitted Uses.
- 3.6. Paving; Driveway. No portion of the Property shall be paved or otherwise covered with concrete, asphalt, or other paving materials, except as allowed for in the Management Plan described in Paragraph 2.1.2, above.
- 3.7. Signs and Billboards. With the exception of the Conservancy's right to place a sign on the perimeter of the Property as described below, and the signs which are permitted in the Management Plan, no commercial signs, billboards, awnings, or advertisements shall be displayed or placed on the Property, except for an appropriate and customary identification sign, a sign or signs acknowledging contributors to the acquisition of the Property, signs regarding the recreational use of the Property and educational and interpretive signs. The Conservancy shall erect one or more signs, as allowed by applicable City regulations, visible from the nearest public roadway, or from an alternative location approved by the Board, identifying the Board's Grant and investment in this Property to the public. No signs shall diminish, impair or interfere with the Conservation Values of the Property.
- 3.8. Mining. The commercial mining or extraction of soil, sand, gravel, rock, oil, natural gas, fuel, or any other mineral substance of any kind or description, using any portion of the surface of the Property, is prohibited. Grantor shall not transfer, lease, or otherwise separate any mineral rights, currently owned or later acquired, from the surface of the Property. Grantor shall not permit any filling, excavating, dredging, mining, drilling, development, exploration for or extraction or removal of any minerals, including but not limited to hard rock minerals, coal, oil and gas, uranium, soils, sand, gravel, rock or other common building and landscaping materials on, under, or in the Property, or otherwise associated with the Property, by any method. Nothing herein shall prevent Grantor for using soil, sand, gravel and rock from the Property for construction of the Trails and Trail Facilities if the removal of such material is performed on a limited and localized basis and is not irretrievably destructive of the Conservation Values.
- 3.9. Trash. The dumping or uncontained accumulation of trash or refuse on the Property is prohibited.
- 3.10. Hazardous Materials. The storage, dumping or other disposal of "**Hazardous or Toxic Materials**" on the Property is prohibited. For the purpose of this Easement "**Hazardous or Toxic Materials**" shall be taken in its broadest legal context and shall include any petroleum products as defined in ASTM Standard E 1527-05

and any hazardous or toxic substance, material or waste that is regulated under any federal, state or local law. Notwithstanding anything in this Easement to the contrary, the prohibitions in this Easement do not make or allow the Conservancy or the Board to become an owner or operator of the Property, nor does it permit the Conservancy or the Board to exercise physical or managerial control over the day-to-day operations of the Grantor or control any use of the Property by the Grantor which may result in the storage, dumping or disposal of hazardous or toxic materials; provided, however, that the Conservancy may bring an action to protect the Conservation Values of the Property, as described in this Easement. (The prohibitions in this Easement do not impose liability on the Conservancy or the Board for Hazardous or Toxic Materials, nor shall the Conservancy or the Board be construed as having liability as a "responsible party" under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA") as amended, or similar federal or state statutes.) Nothing in this paragraph shall prohibit the use of chemicals and products in accordance with applicable laws and manufacturer's instructions.

- 3.11. Motorized Vehicles. Use of automobiles, trucks, snowmobiles, all-terrain vehicles, motorcycles, or other motorized vehicles, except for trail or property-maintenance and/or emergency response purposes and parking of vehicles in designated parking areas, is prohibited.
- 3.12. Timber Harvesting. Trees may be cut to control insects and disease, to control invasive non-native species and to prevent personal injury and property damage. Dead trees may also be cut for firewood and other uses on the Property. Commercial timber harvesting on the Property is prohibited.
4. Rights to the Conservancy. To accomplish the Purpose of this Easement, in addition to the rights described in C.R.S. §38-30.5-101, *et seq.*, as amended from time to time, the following rights are reserved by the Conservancy:
 - 4.1. To preserve and protect the Conservation Values of the Property;
 - 4.2. To enter upon the Property in order to monitor compliance with and otherwise enforce the terms of this Easement;
 - 4.3. To prevent any activity on or use of the Property that is inconsistent with the Purpose of this Easement, or which may be reasonably expected to have material adverse impact on the Conservation Values of the Property, and to require the restoration of such areas or features of the Property that are materially damaged by any inconsistent activity or use, and
 - 4.4. To place and maintain on the perimeter of the Property a sign or signs indicating that a conservation easement is held by the Conservancy on the Property. The size of the sign and the location, design and content of such signs shall be determined by the Grantor and the Conservancy in consideration of the City's sign code.
5. Rights Retained by Grantor. The Conservancy grants to Grantor and to Grantor's successors, and assigns, all rights to use the Property in accordance with the Management

Plan, that are not expressly prohibited herein and are consistent with the Purpose of this Easement.

6. Responsibilities of the Grantor and the Conservancy Not Affected. Other than as specified herein, this Easement is not intended to impose any legal or other responsibility on the Conservancy, or in any way affect any existing obligation of the Grantor as ultimate owner of the Property. Among other things, this shall apply to:

- 6.1. Taxes. The Grantor shall be solely responsible for payment of taxes and assessments levied against the Property after recordation of this Deed, including any taxes imposed upon, or incurred as a result of, this Easement. If the Conservancy is required to pay any taxes or assessments on its interest in or transfer of the Property, Grantor will reimburse the Conservancy for the same.
- 6.2. Upkeep and Maintenance. The Grantor shall be solely responsible for the upkeep and maintenance of the Property, including weed control and eradication, to the extent it may be required by law and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep and maintenance of the Property. The Conservancy shall have no obligation for the upkeep or maintenance of the Property.
- 6.3. Insurance. The Grantor shall insure or self-insure against liability claims arising from use of the Property. Grantor shall name the Conservancy as an additional insured on such insurance coverage and shall provide a certificate of such insurance to the Conservancy upon the request of the Conservancy. The Grantor, as a public entity, may claim or assert protection from liability from claims arising from use of the Property, including use by the public, under the Colorado Governmental Immunity Act C.R.S. §24-10-101, *et seq.*, (the "Act") except that Grantor shall not claim or assert protection under the Act against the Conservancy.

7. Enforcement.

- 7.1. The Conservancy shall have the right to prevent and correct violations of the terms of this Easement. If the Conservancy finds what it believes is a violation, it may at its discretion take appropriate legal action. The Conservancy shall immediately notify Grantor and the Board in writing of the nature of the alleged violation. Except when an ongoing or imminent violation could irreversibly diminish or impair the Conservation Values of the Property, the Conservancy will give the Grantor sixty (60) days to correct the violation before filing any legal action. If a court with jurisdiction determines that a violation may exist or has occurred, the Conservancy may obtain an injunction to stop it, temporarily or permanently. A court may also issue an injunction requiring the Grantor to restore the Property to its condition prior to the violation. In any case where a court finds that a violation has occurred, the Grantor shall reimburse the Conservancy for all its expenses incurred in stopping and correcting the violation, including but not limited to reasonable attorney's fees. These rights are in addition to any rights as described in C.R.S. §38-30.5-101, *et seq.*, as amended from time to time. The failure of the Conservancy to take immediate action shall not bar it from doing so at a later time.

- 7.2. If the Conservancy prevails in any action to enforce or defend the terms of this Easement, any costs incurred by the Conservancy in enforcing the terms of this Easement against Grantor, including, costs of suit and reasonable attorneys' fees, and any costs of restoration necessitated by Grantor's violation of the terms of this Easement shall be borne by Grantor. If the court finds no violation or if Grantor prevails in any action to enforce or defend the terms of this Easement, then Grantor and the Conservancy shall each bear their own expenses and attorney fees. The Grantor and the Conservancy agree that this allocation of expenses is appropriate in light of the potential disparate financial incentives of the Grantor and the Conservancy and the Conservancy's public benefit mission.
8. No Waiver or Estoppel. Enforcement of the terms of this Easement shall be at the sole discretion of the Conservancy. Forbearance by the Conservancy to exercise its rights under this Easement in the event of a violation of any term shall not be deemed or construed to be a waiver by Conservancy of such term or of any subsequent violation of the same or any other term of this Easement or of any of Conservancy's rights under this Easement. No delay or omission by Conservancy in the exercise of any right or remedy upon any violation by Grantor shall impair such right or remedy or be construed as a waiver. Grantor hereby waives any defense of laches, estoppel, or prescription, including the one year statute of limitations for commencing an action to enforce the terms of a building restriction or to compel the removal of any building or improvement because of the violation of the same under C.R.S. § 38-41-119, *et seq.*
9. Public Access. The public shall have access to the Property for recreational opportunities, subject to the regulations imposed on such use and access imposed by the Grantor as may be necessary to protect the public safety, and to protect the other Conservation Values of the Property, and to balance wildlife habitat needs and public recreation.
10. Acts Beyond Grantor's Control. Nothing contained in this Easement shall be construed to entitle the Conservancy to bring any action against the Grantor for any injury or change to the Property resulting from causes beyond Grantor's control, including, but not limited to, fire, flood, storm, and earth movement, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such natural events. For purposes of this Easement, "natural event" shall not include acts of third parties. The Grantor shall take reasonable efforts to prevent third parties from performing, and shall not knowingly allow third parties to perform, any act on or affecting the Property that is inconsistent with the Purpose of this Easement. Grantor understands that nothing in this Easement relieves the Grantor of any obligation or restriction on the use of the Property imposed by law.
11. Transfer of Easement. This Easement is transferable by the Conservancy, but the Conservancy may assign its rights and obligations under this Easement only to an organization that: (a) is a qualified organization at the time of transfer under Section 170(h) of the Internal Revenue Code of 1986, as amended (or any successor provision then applicable), and the applicable regulations promulgated thereunder, (b) is authorized to acquire and hold conservation easements under Colorado law, (c) agrees in writing to assume the responsibility imposed on the Conservancy by this Easement, and (d) is approved in writing as a transferee by the Board in its sole and absolute discretion. The Conservancy shall provide the Board with a written request to assign the Easement at least forty-five (45) days prior to the date of the assignment transaction.

- 11.1. The Board shall have the right to require the Conservancy to assign its rights and obligations under this Easement to a different organization if the Conservancy ceases to exist; is unwilling, unable, or unqualified to enforce the terms and provisions of this Easement; or is unwilling or unable to effectively monitor the Property for compliance with this Easement at least once every calendar year. Prior to any assignment under this Paragraph 11, the Board shall consult with the Conservancy and provide the Conservancy an opportunity to address the Board's concerns. If the Board's concerns are not addressed to its satisfaction, the Board may require that the Conservancy assign this Easement to an organization designated by the Board that complies with Paragraph 11(a), 11(b), and 11(c) above.
- 11.2. If the Conservancy desires to transfer this Easement to a qualified organization having similar purposes as the Conservancy, but Grantor or the Board has refused to approve the transfer, a court with jurisdiction shall transfer this Easement to another qualified organization having similar purposes that agrees to assume the responsibility imposed on the Conservancy by this Easement, provided that Grantor and the Board shall have adequate notice of and an opportunity to participate in the court proceeding leading to the court's decision on the matter. As a condition of such transfer, the Conservancy shall require that the conservation purposes that this grant is intended to advance continue to be carried out.
- 11.3. Upon compliance with the applicable portions of this Paragraph 11, the parties shall record an instrument completing the assignment in the records of the county or counties in which the Property is located. Assignment of the Easement shall not be construed as affecting the Easement's perpetual duration and shall not affect the Easement's priority against any intervening liens, mortgages, easements, or other encumbrances.
12. Transfer of Property. Any time the Property itself or any interest in the Property is transferred by the Grantor to any third party, the Grantor shall notify the Conservancy and the Board in writing at least forty-five (45) days prior to the transfer of the Property and the Grantor may be required to pay the Board an Additional Board Refund under Paragraph 13, below. The document of conveyance shall expressly refer to this Easement. Upon any transfer of the Property, or any portion thereof, Grantor shall have no further liability or obligations under this Easement with respect to the portion of the Property which is transferred, except to the extent such liability arises from acts or omissions occurring prior to the date of transfer.
13. Additional Board Refund. The Board's Grant has provided partial consideration for Grantor's acquisition of fee title to the Property, and/or partial real estate interest in the Property above and beyond this Easement; therefore, any voluntary sale, conveyance, transfer, or other disposal of all or any portion of Grantor's interest in the Property or associated mineral rights ("Sale"), excluding any lease of the Property to a third party in the ordinary course of using the Property for permitted purposes, shall constitute a material change to the Grant that shall require prior written Board approval and may require a separate refund to the Board of an amount to compensate the Board for use of the Board's Grant, plus administrative costs (the "Additional Board Refund"), in addition to any payment that the Board may be entitled to receive under Paragraph 16, below.

- 13.1. **Amount.** The amount of the Additional Board Refund shall be based upon a percentage of Grantor's net proceeds from the Sale (which shall be defined as the fair market value of the property being sold in the Sale, minus direct transaction costs) ("Net Proceeds"). The Additional Board Refund shall be determined by: a) first dividing the Board's Grant amount by the original purchase price for fee title to the Property; b) then by multiplying the resulting ratio by the Net Proceeds; and c) adding interest figured from the Grant payment date at the Prime Rate listed by the Federal Reserve Bank of Kansas City, Missouri that is most current on the effective date of the Sale. The Board may, in its sole discretion, waive the requirement for payment of interest or reduce the amount of interest due at the time of the Sale. The Additional Board Refund shall be paid to the Board in cash or certified funds on or before the effective date of the Sale.
- 13.2. **Exception to Refund Requirement.** If a Sale occurs to a third party which is eligible to receive open space funding from the Board, and the Board has provided written confirmation of the third party's eligibility, Grantor shall not be required to pay the Board an Additional Board Refund, unless the Board determines in its sole discretion that one or more aspects of the Grant have changed that reduce the Grant project's scope from that of the original Grant as approved by the Board. (For example, if the Grantor proposed that the Grant project would include public access to the Property, and the Sale will result in substantially the same amount and type of public access, the Board will deem that a material change in the Grant project's scope has not occurred, and Grantor shall not be required to pay the Board an Additional Board Refund, unless another aspect of the Grant project has changed that reduces the Grant project's scope from that of the original Grant as approved by the Board).
14. **Amendment of Easement.** If circumstances arise under which an amendment to or modification of this Easement or any of its exhibits would be appropriate, Grantor and Conservancy may jointly amend this Easement so long as the amendment (a) is consistent with the Conservation Values and Purpose of this Easement, (b) does not affect the perpetual duration of the restrictions contained in this Easement, (c) does not affect the qualifications of this Easement under any applicable laws, (d) complies with Conservancy's and the Board's procedures and standards for amendments (as such procedures and standards may be amended from time to time) and (e) receives the Board's prior written approval. Any amendment must be in writing, signed by the Parties, and recorded in the records of the Clerk and Recorder of Mesa County. In order to preserve the Easement's priority, the Board may require that the Conservancy obtain subordinations of any liens, mortgages, easements, or other encumbrances. For the purposes of the Board's approval under item (e) above, the term "amendment" means any instrument that purports to alter in any way any provision of or exhibit to this Easement. Nothing in this paragraph shall be construed as requiring Conservancy or the Board to agree to any particular proposed amendment.
15. **Hold Harmless.** To the extent authorized by law, Grantor shall hold harmless, indemnify, and defend the Conservancy, the Board, and the members, directors, officers, employees, agents, and contractors and their heirs, personal representatives, successor and assigns of each of them (collectively, "Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, reasonable attorney's fees, arising from or in any

way connected with (1) injury or death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Property, regardless of cause, unless due to the negligence (in which case liability shall be apportioned in accordance with Colorado law) or intentional acts or omissions of any of the Indemnified Parties; (2) the obligations of Grantor and the Conservancy specified herein and the obligations of the Conservancy under the Enforcement Paragraph, above; (3) Grantor's use and management of the Property for public recreational or educational purposes; and (4) the presence or release of Hazardous or Toxic Materials on, under or about the Property after recordation of this Deed. For the purpose of this paragraph, hazardous or toxic substances shall mean any hazardous or toxic substance that is regulated under any federal, state or local law. Without limiting the foregoing, nothing in this Easement shall be construed as giving rise to any right or ability in Conservancy or the Board, nor shall Conservancy or the Board have any right or ability, to exercise physical or managerial control over the day-to-day operations of the Property, or otherwise to become an operator with respect to the Property within the meaning of The Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), as amended.

16. Termination of Easement.

16.1. This Easement constitutes a real property interest immediately vested in the Conservancy, which the Parties stipulate to have a fair market value in the amount of the "Conservancy's Proceeds" described below. If a court with jurisdiction determines that conditions on or around the Property have changed so much that none of the conservation purposes of the easement created by this Deed can continue to be fulfilled, the court, at the joint request of Grantor and Conservancy, after notice to the Board and an opportunity for the Board to participate in the proceeding, may terminate the Easement created by this Deed. If condemnation of a part of the Property or of the entire Property by public or permitted authority renders it impossible to fulfill all of these conservation purposes, the Easement may be terminated through condemnation proceedings. If the Easement is terminated and the Property is sold or taken for public or permitted use in whole or in part, then, Grantor and the Conservancy shall act jointly to recover the fair market value of the affected portion of the Property valued as unencumbered by this Easement and all damages resulting from the condemnation or termination and the Conservancy shall be entitled to compensation for its interest, which shall be determined by a qualified appraisal paid for by the Grantor that establishes the ratio of the value of the Easement interest to the value of the fee simple interest in the Property unencumbered by the Easement as of the date of the taking or termination (the "Conservancy's Proceeds"). In the event of condemnation or termination, the Board shall be entitled to receive 43 percent (~~3~~%) of the Conservancy's Proceeds. The Conservancy shall use its portion of the Conservancy's Proceeds consistently with the conservation purposes of this Deed. All expenses reasonably incurred by the Grantor and the Conservancy in connection with condemnation shall be paid out of the total amount recovered prior to the allocation of such damages award between Grantor and the Conservancy, as described in this paragraph.

16.2. The Grantor has considered the possibility that uses prohibited by the terms of this Easement may become more economically valuable than permitted uses, and that

neighboring properties may in the future be put entirely to such prohibited uses. It is the intent of the Parties that any such changes shall not be deemed to be circumstances justifying the termination or extinguishment of this Easement in whole or in part. In addition, the inability of the Grantor, or Grantor's heirs, successors, or assigns, to conduct or implement any or all of the uses permitted under the terms of this Easement, or the unprofitability of doing so, shall not impair the validity of this Easement or be considered grounds for termination of this Easement in whole or in part.

17. Interpretation. This Easement shall be interpreted under the laws of the State of Colorado, resolving any ambiguities and questions of the validity of specific provisions so as to give maximum effect to its conservation purposes and protection of the Conservation Values.
18. Perpetual Duration. The Easement created by this Deed shall be a servitude running with the land in perpetuity. Every provision of this Easement that applies to Grantor or the Conservancy shall also apply to their respective agents, heirs, executors, administrators, assigns, and all other successors as their interests may appear. A party's rights and obligations under this Easement terminate upon transfer of the party's interest in this Easement or the Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.
19. Approvals. Certain activities herein are allowed only if the permission of the Conservancy is first obtained. When approval of the Conservancy is required, the Grantor must give notice to the Conservancy of the intention to undertake any activity which requires approval but is otherwise permitted herein. The notice shall inform the Conservancy of all aspects of the proposed activity, including location, design, materials or equipment to be used, dates and duration, and any other relevant information and must be deemed sufficient by the Conservancy in its discretion for review of the proposed activity to constitute proper notice. The Conservancy shall have forty-five (45) days from the receipt of the notice to review the proposed activity and to notify the Grantor of any objections thereto. Except as provided herein where the Conservancy's approval may be withheld in its discretion, the approval may be withheld only upon a reasonable determination by the Conservancy that the action as proposed would be inconsistent with the Purpose of this Easement and materially adversely impact the Conservation Values of the Property; the reason(s) for such determination shall be set forth with specificity by the Conservancy in such written notice to Grantor. Where the Conservancy's approval is required, Grantor shall not undertake the requested activity until Grantor has received the Conservancy's approval in writing. The Grantor shall be responsible for all costs of the Conservancy associated with the approval, including the Conservancy's attorney fees, unless the Parties agree otherwise
20. Notices. Any notices required by this Easement shall be in writing and shall be personally delivered or sent by Federal Express or other similar courier service specifying the earliest available delivery, or by certified mail, return receipt requested, to the Grantor and the Conservancy at the following addresses, unless otherwise notified:

To the Grantor (City):
City Manager
City of Grand Junction
250 North 5th Street

Grand Junction, CO 8501
(with a copy to the City Attorney at the same address)

To the Conservancy:

Mesa County Land Conservancy, Inc.
1006 Main Street
Grand Junction, CO 81501

To the Board:

Executive Director
State Board of the Great Outdoors Colorado Trust Fund
303 E. 17th Avenue, Ste 1060
Denver, CO 80203

21. Access. Grantor hereby grants to the Conservancy the right to access the Property for the purposes described herein, and to ensure that at all times the Conservancy has full right of access to the Property for the purposes described in this Easement. The Parties intend that this Easement encumber the Property, including any and all soil, sand, gravel, oil, natural gas, fuel, rock, stone or any other mineral substance of any type or character on or thereunder, whether any such interest is now owned by the Conservancy or the Grantor, or is later acquired by the Grantor.
22. Grantor's Warranties. Grantor is duly authorized and has taken all necessary actions to execute this Easement and this Easement is enforceable against Grantor in accordance with its terms. Grantor is in substantial compliance with the laws, orders, and regulations of each governmental department, commission, board, or agency having jurisdiction over the Property in those cases where noncompliance would have a material adverse effect on the Property or this Easement.
23. No Transfer of Development Rights. The Conservancy hereby reserves all development rights except as specifically reserved to the Grantor herein, for the limited purpose of insuring that such rights are forever terminated and extinguished, and may not be used by Grantor, the Conservancy or any other party, on or transferred off of the Property to any other property adjacent or otherwise. Under no circumstances shall any portion of the Property be used for the purpose of calculating or giving credits, which result in additional density of development, beyond what is allowed in this Easement, on or off of the Property.
24. Acceptance. As attested by the signature of its President affixed hereto, the Conservancy hereby accepts without reservation the rights and responsibilities reserved by this Easement.
25. Recording. The Conservancy shall record this instrument in timely fashion in the official records of Mesa County, Colorado, and may re-record it at any time as may be required to preserve its rights in this Easement.

26. Liberal Construction. Any general rule of construction to the contrary notwithstanding, this Easement shall be liberally construed in favor of the grant to effect the Purpose of this Easement and the policy and purpose of C.R.S. §38-30.5-101, *et seq.* If any provision in this instrument is found to be ambiguous, an interpretation consistent with the Purpose of this Easement that would render the provision valid shall be favored over any interpretation that would render it invalid.
27. Non-Merger. Unless the Parties expressly state in writing that they intend a merger of estates or interests to occur, and unless the Parties have also obtained the prior written consent of the Board approving such merger of estates or interests, then no merger shall be deemed to have occurred hereunder or under any documents executed in the future affecting this Easement. If the Conservancy wishes to acquire fee title to the Property or any additional interest in the Property (such as a leasehold), the Conservancy must first obtain the written approval of the Board. As a condition of such approval, the Board may require that the Conservancy first transfer the Easement to another qualified organization consistent with Paragraph 11 above.
28. No Third-Party Beneficiary. This Easement is entered into by and between the Grantor and the Conservancy, and except as provided herein, is solely for the benefit of the Grantor, the Conservancy and the Board, and their respective successors in interest and assigns and does not create rights or responsibilities in any third parties.
29. Severability. If any provision of this Easement, or the application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of this Easement, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.
30. Successors. The covenants, terms, conditions, and restrictions of this Easement shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors and assigns and shall continue as a servitude running in perpetuity with the Property.
31. Termination of Rights and Obligations of Conservancy. Provided that the Board has consented to a transfer of this Easement by the Conservancy consistent with Paragraph 11 above, the Conservancy's rights and obligations under this Easement shall terminate upon transfer of the Conservancy's interest in the Easement or Property, except that liability for acts or omissions occurring prior to the transfer shall survive the transfer.
32. Joint Obligation. In the event the Property is owned by more than one owner, all such owners shall be jointly and severally liable for the obligations imposed by this Deed upon Grantor.
33. Controlling Law. The interpretation and performance of this Easement shall be governed by the laws of the State of Colorado. Venue for any dispute arising out of, under or concerning this Easement shall be Mesa County, Colorado.
34. Entire Agreement. This instrument sets forth the entire agreement of the Parties with respect to the Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Easement, all of which are merged herein.

35. Captions. The captions in this instrument have been inserted solely for convenience of reference and are not a part of this instrument and shall have no effect upon construction or interpretation.
36. Termination of the Board. In the event that Article XXVII of the Colorado Constitution, which established the State Board of the Great Outdoors Colorado Trust Fund, is amended or repealed to terminate the Board or merge the Board into another entity, the rights and obligations of the Board hereunder shall be assigned to and assumed by such other entity as provided by law, but in the absence of such direction, by the Colorado Department of Natural Resources or its successor.

TO HAVE AND TO HOLD this Deed of Conservation Easement unto the Conservancy, its successors and assigns forever.

IN WITNESS WHEREOF the Conservancy has executed this document, reserving unto itself this Reservation of Deed of Conservation Easement, and the City of Grand Junction has executed this document accepting title to the Property subject to the terms of this Reservation of Deed of Conservation Easement.

Exhibit A – Description of Property

PARCEL NO. 1 (APN 2945-291-00-066)

The NE1/4 NE1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian; EXCEPT tract conveyed to County of Mesa by instrument recorded October 1, 1971 in Book 964 at Page 653 for road purposes.

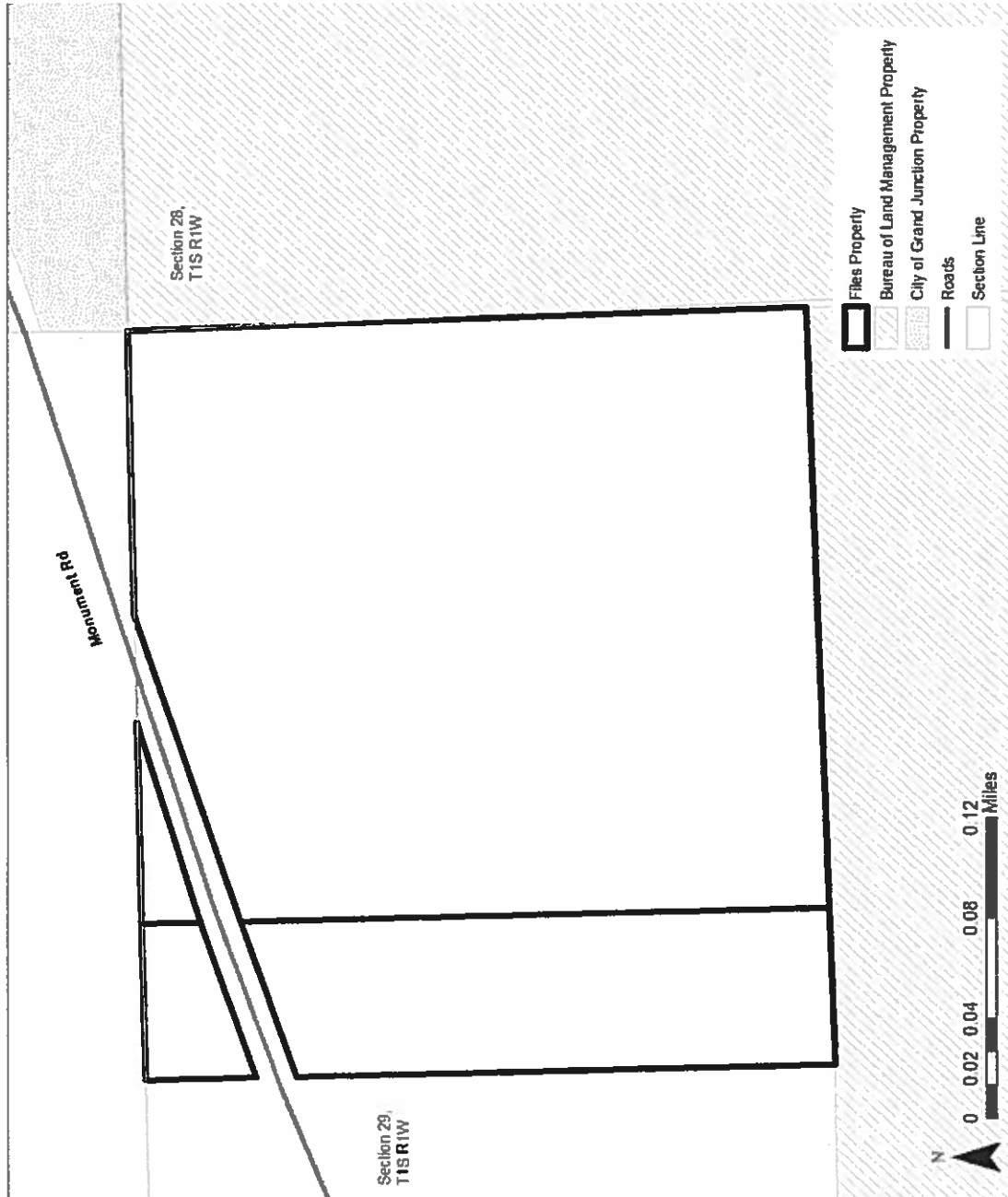
PARCEL NO. 2 (APN 2945-291-00-123)

A parcel of land being a part of the E1/4 of the NW 1/4 of the NE 1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado and considering the West line of the NW 1/4 of the NE 1/4 of Section 29 to bear North 00°09'54" West and all bearings contained herein being relative thereto, being more particularly described as follows: Beginning at the SE corner of the E1/4 of said NW1/4 of the NE1/4, being a rebar with 1 1/2" aluminum cap stamped NE 1/16, PELS 5933, South 89°57'23" West along the South line of said E1/4 a distance of 330.46 feet to the SW corner of said E1/4; thence N 00°09'27" West along the West line of said E1/4 a distance of 1035.75 feet to the Southerly right-of-way of Monument Road as deeded to the County of Mesa and recorded in Book 968 at Page 869 in the office of the Mesa County Clerk and Recorder; thence along said right-of-way a distance of 337.17 feet along the arc of a nontangent curve concave Southerly, whence the radius point bears South 18°32'40" East, having a radius of 5699.58 feet and a central angle of 03°23'22", whose long chord bears N 73°09'01" East a distance of 337.11 feet; thence tangent to said curve North 74°50'42" East a distance of 7.87 feet to the East line of said E1/4; thence leaving said Southerly right-of-way South 00°09'18" East a distance of 1135.27 feet to the point of beginning.

PARCEL NO. 3 (APN 2945-291-00-124)

A parcel of land being a part of the E1/4 of the NW1/4 of the NE1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado, and considering the West line of the NW1/4 of the NE1/4 of Section 29 to bear North 00°09'54" West and all bearings contained herein being relative thereto, being more particularly described as follows: Beginning at the Northeast corner of the E1/4 of said NW1/4, being a Mesa County Surveyor Brass Cap Monument, thence South 00°09'18" East along the East line of said E1/4 a distance of 109.30 feet to the Northerly right-of-way of Monument Road as deeded to the County of Mesa and recorded in Book 968 at Page 869 in the Office of the Mesa County Clerk and Recorder; thence along said right-of-way line South 74°50'42" West a distance of 23.95 feet; thence 320.78 feet along the arc of a curve concave Southerly having a radius of 5759.58 feet, with a central angle of 03°11'28" whose long chord bears South 73°14'58" West 320.73 feet to the West line of said E1/4; thence leaving said Northerly right-of-way and along the West line of said E1/4 North 00°09'27" West a distance of 209.33 feet to the Northwest corner of said E1/4; thence South 89°46'11" East along the North line of said E1/4 a distance of 330.52 feet to the point of beginning.

Exhibit B - Map of Property



BASELINE DOCUMENTATION REPORT



Files Conservation Easement Mesa County, Colorado

Prepared For

Mesa Land Trust
1006 Main Street
Grand Junction, Colorado 81501

Prepared By

Rare Earth Science, LLC
PO Box 1245
Paonia, Colorado 81428

July 7, 2014

TABLE OF CONTENTS

ACKNOWLEDGEMENT OF EASEMENT CONDITIONS ii

AUTHOR CERTIFICATION STATEMENT iii

CONTACTS & BASIC INFORMATION SUMMARY iv

1 INTRODUCTION 1

 1.1 Methods & Limitations 1

 1.2 Property Setting & Description 2

 1.3 Historic & Current Land Use 3

 1.4 Conservation Context 3

 1.5 Directions to the Property 4

 1.6 Summary of the Property's Conservation Values 4

2 PHYSICAL CHARACTERISTICS OF THE PROPERTY 5

 2.1 Improvements & Disturbances 5

 2.2 Geology 6

 2.3 Soils & Biological Soil Crusts 7

 2.4 Hydrology 8

 2.5 Vegetation Communities 8

3 OUTDOOR RECREATIONAL & EDUCATION FOR THE GENERAL PUBLIC 10

 3.1 Planned Opportunities 10

4 OPEN SPACE 10

 4.1 Scenic Characteristics 10

 4.2 Significant Public Benefit 11

 4.3 Consistency with Governmental Policies 11

5 RELATIVELY NATURAL HABITAT 12

 5.1 Habitat for Threatened, Endangered, or Special Concern Species 12

 5.2 Potential Habitat for Rare Plant Species 14

 5.3 Big Game Habitat 15

 5.4 Habitat for Other Wildlife 15

6 REFERENCES 16

FIGURES (Following Main Text)

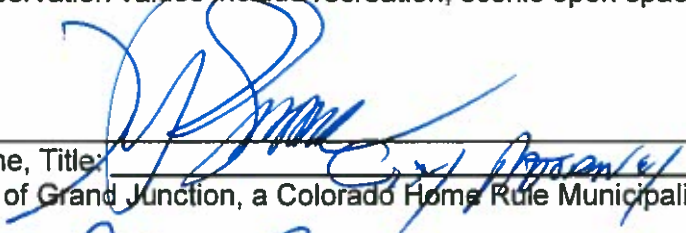
1. Regional & Local Locator Maps
2. Topographic Map
3. Aerial Photograph & Photopoint Locations
4. Improvements & Other Features
5. Geologic Map
6. Soils Map
7. Vegetation
8. Wildlife Range Maps

DOCUMENTARY PHOTOGRAPHS (Following Figures)

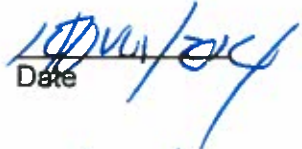
ACKNOWLEDGEMENT OF EASEMENT CONDITIONS

FILES CONSERVATION EASEMENT
MESA COUNTY, COLORADO

In compliance with Federal Tax Regulations [§1.170A-14(g)(5)(i)(D)], and to the best of my knowledge, this Baseline Documentation Report, including text, maps, and photographs, is an accurate representation of the Files conservation easement property ("property") and its conservation values at the time of the conveyance of the conservation easement. The property's conservation values include recreation, scenic open space, and relatively natural habitat.




Name, Title: _____
City of Grand Junction, a Colorado Home Rule Municipality, GRANTOR



Date



Rob Bleiberg, Executive Director
Mesa Land Trust, GRANTEE



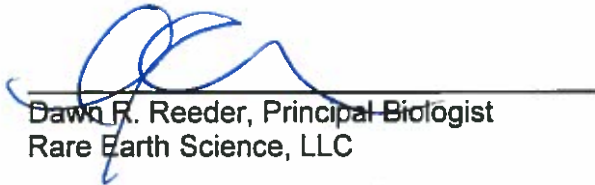
Date

AUTHOR CERTIFICATION STATEMENT

FILES CONSERVATION EASEMENT MESA COUNTY, COLORADO

I, the undersigned, prepared this Easement Documentation Report in accordance with Title 26 of the Internal Revenue Code [§1.170A-14(g)(5)]. To the best of my knowledge, this Baseline Documentation Report, including text, maps, and photographs, is an accurate representation of the Files conservation easement property at the time of the conveyance of the conservation easement.

I certify that I am a qualified provider of conservation easement due diligence. As principal biologist at Rare Earth Science, I have personally prepared baseline documentation reports for more than 150 conservation easement projects in eight Colorado counties, and am familiar with the natural resources of the region. My recent relevant project experience includes rare plant surveys in Delta and Montrose counties, co-authorship of *Colorado Sagebrush: A Conservation Assessment and Strategy* (prepared for the Colorado Division of Wildlife in 2005), and a *Migratory Bird Status Literature Review* (prepared for the Uncompahgre Field Office of the U.S. Bureau of Land Management in 2009). I earned a Bachelor of Science degree in Biological Sciences from Stanford University in 1988 and have 25 years of experience in consulting practice.



Dawn R. Reeder, Principal Biologist
Rare Earth Science, LLC

Date: 7/7/2014

CONTACTS & BASIC INFORMATION SUMMARY

GRANTOR (Ultimate Owner of the Property Subject to Reserved Conservation Easement)

City of Grand Junction
250 North 5th Street
Grand Junction, Colorado 81501
(970) 244-1501

GRANTEE (Conveying the Property Subject to Reserved Conservation Easement)

Mesa County Land Conservancy, Inc. d.b.a. Mesa Land Trust
1002 Main Street
Grand Junction, Colorado 81501
(970) 263-5443

BASELINE DOCUMENTATION REPORT PREPARER

Rare Earth Science, LLC
PO Box 1245
Paonia, Colorado 81428
(970) 527-8445
dawn@rareearthscience.com

CONSERVATION EASEMENT NAME

Files Conservation Easement

ACREAGE

Approximately 48.3 acres

COUNTY ASSESSOR PARCEL NO.

Mesa County Parcels No. 2945-291-00-066 (38.90 acres), 2945-291-00-123 (8.247 acres) and 2945-291-00-124 (1.195 acres)

PHYSICAL ADDRESS

2395 Monument Road, Grand Junction, Colorado

PHYSICAL LOCATION

With a portion of the Northeast ¼ of Section 29, Township 1 South, Range 1 West (Ute Principal Meridian)

LEGAL DESCRIPTION

See Exhibit A of the Conservation Easement in Gross

1 INTRODUCTION

Colorado Revised Statutes (CRS) provide for the establishment of conservation easements to maintain land "in a natural, scenic, or open condition, or for wildlife habitat, or for agricultural, horticultural, wetlands, recreational, forest, or other use or condition consistent with the protection of open land, environmental quality or life-sustaining ecological diversity," [CRS §38-30.5-102].

Toward these ends, Mesa County Land Conservancy, Inc. d.b.a. Mesa Land Trust ("Conservancy" or "grantee") will be acquiring the approximately 48.3-acre "Files" property, located within the City of Grand Junction, and reserving a perpetual conservation easement on it (to be held by Mesa Land Trust). In a simultaneous transaction, Mesa Land Trust will convey the property, subject to the reserved conservation easement, to the City of Grand Junction ("grantor"). The grantee is a "qualified organization," as defined in Title 26 [§170A(h)(3)] of the U.S. Internal Revenue Code, to accept such a conveyance.

The Files property is part of a collaborative conservation project known as "The Bookends Acquisition" to be funded in part by Great Outdoors Colorado (GOCO). The Bookends Acquisition involves the approximately 47-acre Files property and the approximately 13-acre Meens property, located on either side of (i.e., bookending") the Three Sisters / Lunch Loop trail system (Figures 1 and 2). Both bookend properties will be conserved and deeded to the City of Grand Junction. Baseline conditions on the Meens property are presented in a separate Baseline Documentation Report.

The key individuals involved in developing the conservation easement project were Land Trust staff, the City of Grand Junction, and the Files family. The grantor and grantee agree that the principal purpose of the conservation easement on the property is to protect and preserve the property's conservation values, and in particular, the characteristics of the property that make it valuable for outdoor recreational and education opportunities for the public, but also as scenic open space and relatively natural habitat for wildlife.

This report serves as present conditions documentation for the Files Conservation Easement. As such, this report is intended to provide evidence of the property's conservation values, and to provide the grantee with a description of the existing conditions on the property at the time of the conservation easement conveyance, so that changes to the land can be monitored over time, especially those changes that may affect the property's conservation values.

This report consists of narrative text, with figures and documentary photographs following the text. Figure 1 shows the property's regional setting and location in relationship to other conserved private property and public lands. Figure 2 shows the topography of the property and its surroundings. Figure 3 provides an aerial overview of the property and a key to documentary photograph locations. Figure 4 shows improvements, and other important features. Figures 5 and 6 present geologic and soils mapping information, respectively. Figures 7 and 8 provide a map of the vegetation communities on the property, and range maps for selected wildlife species. A list of global positioning system (GPS) coordinates for the locations of documentary photographs is included at the front of the documentary photograph section of this report.

1.1 Methods & Limitations

Methods of baseline documentation included a field visit on the property on April 24, 2014, by Dawn Reeder (Biologist, Rare Earth Science), review of information provided by the grantee,

interviews with appropriate persons familiar with the property, and research of available publications and other relevant documents, as cited.

The contents of this report satisfy the documentation requirements of the U.S. Internal Revenue Service Code at §1.170A-14 and the conservation easement due diligence requirements of the grantee, and generally follow standards and practices recommended by the Land Trust Alliance (Hamilton 2008).

Mapping for this document was created using ESRI® geographic information systems (GIS) software, ArcGIS 10.2.2™ and a recreational-grade handheld GPS unit. Base maps consist of U.S. Geological Survey (USGS) 7.5-minute topographic digital quadrangles and the most current National Agricultural Imagery Program (NAIP) aerial photography digital mosaics available for public download through the U.S. Department of Agriculture Natural Resources Conservation Service (NRCS). Data resources and base maps used to create regional, topographic, geology, soils, and wildlife range maps are cited on the figures themselves. The photopoint map was created by mapping GPS waypoints marked at documentary photograph locations. Improvements mapping was created by interpreting recent aerial photographs, and by mapping GPS waypoints of certain point features and GPS tracks following linear features of on the property. Consequently, the improvements map must not be considered a survey of improvements, but rather a simple inventory sketch. Vegetation mapping was created by interpreting recent aerial photographs, combined with a walkabout survey of the property. Vegetation nomenclature follows Weber and Wittmann 2001 and Whitson 2000. It should be noted that vegetation mapping boundaries cannot accurately represent the intergrade between plant communities.

It is not within the scope of this report to review boundary adjustments, miscellaneous easements, or rights-of-way, whether recorded or unrecorded, for accuracy or applicability to the property or conservation easement conveyance.

1.2 Property Setting & Description

The Files Conservation Easement (hereafter, "property") is approximately 48.3 acres in Mesa County, Colorado. The property lies about 3 direct miles southwest of downtown Grand Junction (Figure 1) within part of the Northeast ¼ of Section 29, Township 1 South, Range 1 West of the Ute Principal Meridian (Figure 2). See "Contacts and Basic Information Summary" in the front of this document for further information regarding the property's physical location. A complete legal description is provided as an Exhibit to the Conservation Easement in Gross (CE Deed).

The property lies adjacent to the city limits of Grand Junction (Figure 1) in an area locally known as the Redlands. The Redlands area lies between the Redlands Power Canal and the cliffs and ramparts of Colorado National Monument, and is characterized by distinctive soils and sandstone formations in the red spectrum.

Land ownership in the vicinity of the property is a mix of public lands (administered by the U.S. Bureau of Land Management [BLM] or the City of Grand Junction) and private lands (Figure 1). Private lands adjoining property (to the west) are either vacant or occupied by residences on relatively large lots. Public land use in the vicinity and on adjoining public lands (to the south, north, and west) is primarily non-motorized recreational.

Situated in the northeast part of the Colorado Plateau Physiographic Province, the property supports native semi-desert shrublands in an arid, rocky tableland, cliff, and canyon environment at an average elevation of approximately 4,800 feet above mean sea level. No

Thoroughfare Canyon and its seasonal or intermittent wash (tributary to the Colorado River) cross the property from southwest to northeast (Figure 2).

Improvements on the property include primitive roads and trails. Monument Road, a paved road with a deeded right-of-way, bisects the property into two tracts (Figure 2). The appearance of the property is shown in the documentary photographs attached to this report and keyed to Figure 3.

1.3 Historic & Current Land Use

The primary historic use of the property has been vacant land (wildlife habitat) and recreational. According to a Transaction Screen Process Report prepared for the property (Rare Earth 2014), there is no record of past mining, petroleum exploration, or commercial activity on the property. The property has a few areas where historic dumping of minor amounts of solid waste occurred, including scattered broken glass or crockery presumably used for historic target-shooting activities (Figure 4).

Currently, the property remains vacant. Numerous vehicle tracks and single track trails on the property are used by trespassing members of the public for non-motorized recreation.

1.4 Conservation Context

The conservation of the property is strategically important to the Monument Road Vision Project – a collaborative effort between the grantee, the City of Grand Junction, BLM, Mesa County, local residents, user groups, and the business community – with the goals of protecting viewsheds and developing multi-use paths between the Monument Road corridor, downtown Grand Junction, and local neighborhoods.

In a landscape context, the position of the property buffers public lands to the south, east, and north from development (Figure 1). Development increases in density with distance to the north of the property, with proximity to subdivisions within the city limits of Grand Junction.

To the west, the property adjoins City of Grand Junction lands (Figure 1), which feature a paved parking area and trail head access to the Lunch Loop Trail System (Figure 2), one of the most popular and extensive non-motorized recreational trail systems in the region. The Lunch Loop Trail System extends onto a large block of BLM lands to the south and east of the property. It is the intent of the grantor and grantee to provide for the formal extension of this trail system onto the property.

The property (the entirety of the west parcel) lies just south of the Shadow Lake Draw Potential Conservation Area (PCA) designated by the Colorado Natural Heritage Program (CNHP; Figure 1). PCAs are land units identified as important to the continued existence of ecological processes that support one or a suite of rare or significant elements, and are intended to assist local governments with land-use planning and conservation strategies. CNHP delineated the Shadow Lake Draw PCA to recognize an occurrence of the rare plant Jones blue star (*Amsonia jonesii*), which was found in small draws in the PCA, and to acknowledge appropriate undeveloped habitat for yellowbelly racer, a rare snake historically documented in the PCA (Lyon et al. 1996). CNHP considers Jones blue star to be “critically imperiled” in the state (Rank S1) and yellowbelly racer to be “vulnerable” in the state (Rank S3). CNHP’s general recommendations to local governments for conservation of biodiversity in the county include

supporting conservation easement projects, both through policy-making and funding (Lyon et al. 1996).

1.5 Directions to the Property

Directions from Grand Junction, Colorado to the property are as follows:

- From the intersection of U.S. Highway 50 and Grand Avenue in Grand Junction, head east on Grand Avenue for approximately 0.1 mile to Grand Avenue and Broadway.
- Continue onto Broadway and drive approximately 0.7 mile to the intersection of Broadway and Monument Road.
- Turn left (south) on Monument Road and travel about 1.9 miles to where Monument Road bisects the property.

1.6 Summary of the Property's Conservation Values

The purpose of the conservation easement is to preserve, in perpetuity, the following conservation values:

1. Outdoor recreation and education for the general public. The conservation easement on the property will provide access to substantial and regular recreational use by the general public. The general public will enjoy non-motorized trail-based recreation on the property, including the use of trails for bicycling and pedestrian activities. Future trails on the property will have connectivity to existing trails on adjoining public lands which are part of one of the most popular and extensive public lands trail networks in the region. Outdoor education opportunities for the general public provided as a result of the conservation easement may include interpretive programs (signage, smart phone applications, and literature) concerning geology and other natural history topics, volunteer land management events, and ecology research projects.
2. Open space. The property adds to the scenic character of the region and the local landscape in which it lies, contains a harmonious variety of shapes and textures in its mosaic of natural vegetation communities and dramatic cliff and canyon topography, and provides a degree of openness, contrast and variety to the overall landscape. The property is visible to the general public from adjoining and nearby public lands administered by the U.S. Bureau of Land Management and the City of Grand Junction, and from lands of the nearby Colorado National Monument. These lands are open to and actively utilized by residents of Mesa County and the State of Colorado. A significant portion of the property is visible from Monument Road, a major scenic accessway to the nearby Colorado National Monument traveled by tens of thousands of visitors annually. The policies of the State of Colorado and Mesa County consider preservation of open space important to the future of the region. The preservation of the property's open space will provide a significant public benefit because there is a strong likelihood that subdivision and development of the property would lead to or contribute to degradation of the natural habitat and the scenic and natural character of the area. The property lies adjacent to the city limits of Grand Junction and the likelihood of its future subdivision and development is high. A perpetual conservation easement on the property a) will ensure that the property continues to benefit the general public who appreciate its scenic values and who will receive access to the property for outdoor recreation and education; b) will ensure that the property's open space continues to buffer adjoining public lands

from the effects of potential incompatible uses or development in the future; and c) will ensure that the property continues to provide relatively natural habitat for plants and wildlife in the region.

3. **Relatively natural habitat.** The property features native semi-desert shrublands in a tableland and cliff and canyon environment, that provide forage, cover, breeding grounds, and migration areas for a diversity of wildlife. The habitat on the property is “significant” as defined by U.S. Treasury Regulations at Section 1.170A-14(d), because it provides habitat for species considered rare, threatened, or of special concern by the State of Colorado. These species include longnose leopard lizard, midget faded rattlesnake, and American peregrine falcon (all State of Colorado Species of Concern). The property lies within winter range of mule deer (as mapped by the Colorado Parks and Wildlife), and within the overall ranges of black bear and mountain lion, all big game vertebrates important to the biodiversity of the region and to the economies of Mesa County and the State of Colorado. The property’s habitat value is enhanced on a landscape scale by its adjacency to large tracts of public lands that sustain wildlife habitat for numerous species.

2 PHYSICAL CHARACTERISTICS OF THE PROPERTY

The improvements on the property and various features sustaining these conservation values on the property are described below and documented in figures and documentary photographs following the main text of this report. Documentary photographs were taken at the photopoints shown on Figure 3. The GPS coordinates for the photopoints are included at the front of the documentary photograph section of this report.

2.1 Improvements & Disturbances

Improvements and disturbances observed on the property at the time of the field visit are described briefly, below. The approximate locations of these features are mapped on Figure 4.

- **Structures.** No structures (buildings) were observed on the property. A metal shop building, visible at Photopoints 1 and 3), lies just west of that part of the property lying north of Monument Road.
- **Roads.** The approximate locations of roads and trails on the property are mapped on Figure 4. On the part of the property north of Monument Road, a network of jeep roads leads to City of Grand Junction land to the north (Photopoint 3). On the part of the property south of Monument Road, a network of jeep roads traverses the terrace north of No Thoroughfare Canyon wash (Photopoints 4, 6, 11, 16, 25, 28, 30, and 32). One route crosses the wash and leads southwest off the property (Photopoint 13). A few indistinct (old) jeep roads visible on aerial photographs were present on the east part of the property—both on the terrace north of No Thoroughfare Canyon wash and on the mesa south of No Thoroughfare Canyon wash.
- **Trails.** A single track trail (Photopoints 16 and 24) enters the south property boundary from BLM land, traverses the south rim of No Thoroughfare Canyon, and exits the property’s east boundary onto City of Grand Junction-owned land. This trail connects to Eagle’s Trail to the south, in the Lunch Loop Trail System. A spur from the trail leads

north and down through the rock outcrops of the canyon's south rim, connecting with a jeep road along No Thoroughfare Canyon wash.

- **Utilities.** No utilities were observed on the property during the field visit. However, utilities may be buried in or near the right-of-way of Monument Road on the property. A linear disturbance through the greasewood shrubland north of Monument Road may be a buried utility line to the property adjoining to the west (Photopoint 2).
- **Debris sites.** Two main areas of scattered debris were observed on the property during the field visit. One area is within the road network north of No Thoroughfare Canyon wash, where small scrap metal items, a tire, miscellaneous wood debris, and broken glass and crockery are scattered (Photopoints 28 and 29). Wood debris and broken glass were observed in the southeast part of the property near some faint jeep roads (Photopoints 19, 20, and 21).
- **Ground surface disturbances.** Two main areas of surface disturbance were noted on the property during the field visit. These included bare ground adjacent to Monument Road that appear to receive heavy vehicular use as turnouts from Monument Road (Photopoints 3 and 5).

2.2 Geology

The property is located in the Canyonlands Section of the Colorado Plateau Physiographic Province, with its characteristic expanse of hills, mesas and canyons. Rocks in the Colorado Plateau are mostly flat-lying and sedimentary in nature, but have also been broadly folded and broken by block faulting during the late Cretaceous Laramide Orogeny. Locally, the property is positioned above the Grand Valley, which is bounded by a steep escarpment (known as the Book Cliffs) to the north and the Uncompahgre Uplift and lava-capped Grand Mesa to the southwest and east, respectively. This part of the Colorado Plateau is generally typified by gently dipping sedimentary rocks, high relief produced by deeply incised drainages, and a semi-arid climate at elevations above 4,500 feet. The Colorado and Gunnison Rivers, and their tributaries, carved the Grand Valley and surrounding lands. The entire floor of the Grand Valley consists of Cretaceous marine shales and sandstones (predominately Mancos Shale), which are locally overlain by Quaternary gravels near the Colorado and Gunnison Rivers.

The property lies on the northeastern flank of the Uncompahgre Uplift, which consists of Mesozoic sedimentary rock units that unconformably overlie Proterozoic basement rocks. The Uncompahgre Uplift is expressed topographically as the Uncompahgre Plateau, a 3,500-square-mile dome-shaped plateau extending from Grand County, Utah, over 100 miles southeast through Mesa and Montrose Counties, and into northwestern Ouray County. The Geologic Map of the Grand Junction Quadrangle, Mesa County, Colorado (USGS Miscellaneous Field Studies Map MF-2363, 2002) was reviewed for an understanding of local surface and subsurface geologic conditions (Figure 5).

In general the property features the Brushy Basin Member of the Upper Jurassic Morrison Formation (Map Unit Jmb), which outcrops mostly in the south part of the property (Photopoints 9, 12, and 14); more recent (Holocene- & Pleistocene-age) surficial materials including alluvial, eolian & sheetwash deposits along the drainage in No Thoroughfare Canyon; and terrace gravels deposited by the ancient Colorado River on the mesa above No Thoroughfare Canyon on the south part of the property (Figure 5).

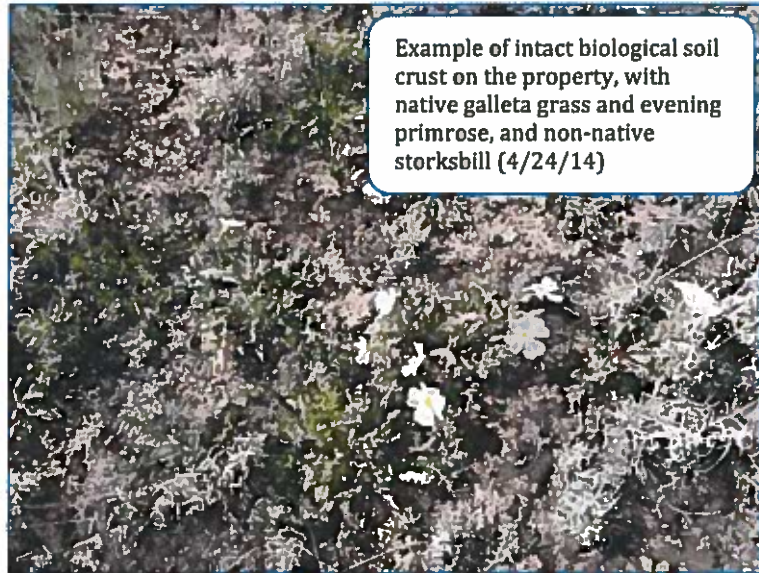
2.3 Soils & Biological Soil Crusts

The property's soils, consisting primarily of loams ranging from sandy to stony, along with prevalent sandstone and siltstone rock outcrops and rimrock bands, are derived from the geologic units described above. A total of 5 soil units are mapped on the property by the Natural Resources Conservation Service (NRCS 2007). Figure 6 depicts NRCS mapping, which conforms reasonably well with observations on the property, with the exception of Rock outcrop-Persay-Hostage complex, 25 to 99 percent slopes (Map Unit 127) as mapped east of Monument Road. This area better fits the description for Moffat sandy loam, 2 to 6 percent slopes (Map Unit 125). The brief map unit soil descriptions below are derived from NRCS 2007.

- Berto-Roygorge-Rock outcrop complex, 5 to 15 percent slopes, extremely stony (Map Unit 26). This complex is found on mesas, and is derived from parent material consisting of colluvium over residuum weathered from sandstone. The Berto component makes up about 40 percent of the map unit, and the Roygorge component makes up 35 percent of the map unit. Depth to a root restrictive layer (lithic bedrock) is 10 to 20 inches. The natural drainage class is well drained, water movement in the most restrictive layer is moderately high, and available water to a depth of 60 inches is very low. This soil unit is mapped in the south-central part of the property on the mesa above No Thoroughfare Canyon.
- Rock outcrop-Biedsaw complex, 25 to 65 percent slopes, extremely bouldery (Map Unit 27). This component is on mesas and side slopes of mesas, and is derived from parent material consisting of colluvium derived from sandstone and shale over residuum weathered from clayey shale. The Biedsaw component makes up 30 percent of the map unit and rocks make up the remainder. In the Biedsaw component, depth to a root restrictive layer is greater than 60 inches. The natural drainage class is well drained. Water movement in the most restrictive layer is moderately low and available water to a depth of 60 inches is moderate. This soil unit is mapped across most of the south part of the property on the mesa above No Thoroughfare Canyon, and includes the north-facing boulder slope of No Thoroughfare Canyon.
- Moffat sandy loam, 2 to 6 percent slopes (Map Unit 125). This soil type is found primarily on terraces within the soils survey area. The parent material consists of alluvium derived from sandstone. Depth to a root restrictive layer is greater than 60 inches. The natural drainage class is well drained. On the property, this soil unit occupies the entire No Thoroughfare Canyon wash corridor and low, gently-sloping terraces adjacent to the wash.
- Sheppard loamy fine sand, 2 to 5 percent slopes (Map Unit 130). This soil type is found primarily alluvial fans within the soils survey area. The parent material consists of alluvium derived from sandstone. Depth to a root restrictive layer is greater than 80 inches. The natural drainage class is excessively well drained. On the property, this soil unit occupies the northwest property corner along Monument Road.

Biologic soil crusts (also called cryptobiotic soils or cryptogamic soil) are present in most undisturbed stands of all the vegetation communities found on the property in soils spaces not occupied by rocks, trees, or shrubs. An integral part of the semi-desert ecology of the Colorado Plateau, biological soil crusts are living composites of surface soils bound by symbiotic colonies of lichens, mosses, algae, microfungi, cyanobacteria and other bacteria, and in the arid west, can comprise more than 70 percent of the living ground cover (Rosentreter et al. 2007). Intact

biologic soil crusts increase soil stability by helping to control wind and water erosion. They benefit the vascular plant community by increasing soil water retention, contributing carbon to underlying soils, converting atmospheric nitrogen to bio-available nitrogen, increasing the bio-availability of phosphorus and other nutrients, and creating seedling germination sites (Rosentreter et al. 2007).



2.4 Hydrology

No permanent watercourses exist on the property; however, the property features the prominent wash of No Thoroughfare Canyon. The No Thoroughfare Canyon wash crosses the property from southwest to northeast, south of Monument Road (Figure 4; Photopoints 8, 9, 13, and 27). The wash channel is braided in the northwest part of the property, becoming more incised and channelized in the northeast part of the property. The banks and general vicinity of the wash is intermittently dominated by tamarisk, an invasive non-native riparian shrub (sometimes with tree stature) common in drainages throughout the region. Two tributary side washes on the property feed into No Thoroughfare Canyon wash (Photopoints 20, 23, and 32). The washes on the property provide important microhabitat for reptiles, rodents, small mammals, and migratory songbirds, as well as travel corridors for large and small mammals. The washes were dry at the time of the field visit.

2.5 Vegetation Communities

The property is dominated by vegetation communities adapted to the soils and influenced by its topographic and hydrologic conditions. Vegetation communities were mapped (Figure 7) by interpreting a recent aerial photograph of the property, combined with a walkabout survey. It should be noted that vegetation mapping boundaries cannot accurately represent the intergrade between plant communities and that vegetation mapping presented on Figure 7, and vegetation descriptions provided below, are fairly generalized. Weeds are discussed within each community description; noxious weeds did not appear to present a serious management issue on the property at the time of the field visit. The only weed recognized as noxious by Mesa County (Werkmeister 2013) observed on the property was tamarisk (see Canyon wash description, below).

- **Mixed short semi-desert shrubland** (approximately 25 acres; Photopoints 15 through 25). Mixed short semi-desert shrublands are the predominant vegetation type on the property and surrounding lands. They occur all across the south part of the property where mapped on Figure 7, and interstitially in other vegetation types. The most common shrubs in this community are shadscale (*Atriplex confertifolia*) and Mormon tea (*Ephedra* sp.). Other shrubs and sub-shrubs present include broom snakeweed (*Gutierrezia sarothrae*), dwarf rabbitbrush (*Chrysothamnus depressus*), big sagebrush (*Artemisia tridentata*), bud sagebrush (*Picrothamnus desertorum*), shrubby buckwheats (*Eriogonum* spp.), cliff fendlerbush (*Fendlera rupicola*), Utah serviceberry (*Amelanchier utahensis*),

spiny horsebrush (*Tetradymia spinosa*), prickly pear cactus (*Opuntia* spp.), and claret cup cactus (*Echinocereus triglochidiatus*). Near rock outcrops and on steep rocky slopes, an occasional small-stature Utah juniper (*Juniperus osteosperma*) was present. In general, the shrub canopy in this community is low and sparse, and interstitial ground spaces are occupied by biological soil crusts, scattered native grasses, and bare soil or rocks. Common native grasses in the community (and throughout the property) include galleta grass (*Hilaria jamesii*), needle-and-thread grass (*Hesperostipa comata*), bottlebrush squirreltail (*Elymus elymoides*), and Indian ricegrass (*Achnatherum hymenoides*). Native forbs beginning to green up or flowering during the field visit were Westwater tumbledustard (*Thelypodopsis elegans*), globemallow (*Sphaeralcea* sp.), mariposa lily (*Calchortus* sp.), sand verbena (*Abronia* sp.), phlox (*Phlox* sp.), scarlet gilia (*Ipomopsis* sp.), milkvetches (*Astragalus* spp.), evening primrose (*Oenothera* spp.), and several species of wild parsleys (*Lomatium grayii*, *Lomatium* sp., and *Cymopterus bulbosus*). The non-native annual cheatgrass (*Bromus tectorum*) was patchy in this community, and heaviest near roaded areas. Other conspicuous weeds were blue mustard (*Chorispora tenella*), storksbill (*Erodium cicutarium*), bulbous bluegrass (*Poa bulbosa*), bur buttercup (*Ranunculus testiculatus*), and annual wheatgrass (*Eremopyrum triticeum*). Fairly large patches of annual wheatgrass were greening up in the east part of the property at the time of the field visit (visible at Photopoints 18 and 22).

- **Greasewood shrubland** (approximately 16 acres; Photopoints 1, 6, 13, and 28 through 32). This community type is present north of No Thoroughfare Canyon wash and areas of low terrace south of and adjacent to No Thoroughfare Canyon wash. The dominant shrub is greasewood (*Sarcobatus vermiculatus*), but shadscale, four-wing saltbush (*Atriplex canescens*), or Mormon tea are occasionally present. Native grasses such as galleta, Indian ricegrass, needle-and-thread, or alkali sacaton (*Sporobolus airoides*) were occasional, and native blooming forbs included locoweed (*Oxytropis* sp.) and poison aster (*Xylorhiza venusta*). The understory is dominated by bare ground, biological soil crust, cheatgrass, prickly pear, and non-native annual mustards (such as tall tumbledustard [*Sisymbrium altissimum*]) and blue mustard, with occasional scattered Russian thistle (*Salsola kali*), bulbous bluegrass, storksbill, and annual wheatgrass. Biological soil crusts are patchy in this area due to historic surface disturbances. Occurrences of *Sclerocactus* (potentially Colorado hookless cactus; see Section 5.1) were observed in this community in the locations marked on Figure 7.
- **Canyon wash** (approximately 6 acres; Photopoints 8, 9, 13, and 27). This community is mapped in and alongside the No Thoroughfare Canyon wash across the property. About 4 acres of this wash support discontinuous stands of salt cedar or tamarisk (*Tamarix* spp.), a non-native noxious shrub common in riparian or semi-riparian corridors through the intermountain west. The County's management strategy for tamarisk is biological control and control is not mandatory (Werkmeister 2013). A few individual non-native Russian olive (*Eleagnus angustifolia*) trees were also present. Native vegetation in or along the wash included rubber rabbitbrush (*Chrysothamnus nauseosus*), greasewood, and native grasses such as western wheatgrass (*Pascopyrum smithii*) and Indian ricegrass. Non-native grasses and forbs included Russian thistle and annual wheatgrass.

3 OUTDOOR RECREATIONAL & EDUCATION FOR THE GENERAL PUBLIC

3.1 Planned Opportunities

The conservation easement will provide access to the property for substantial and regular recreational use by the general public. The general public will enjoy non-motorized trail-based recreation on the property, including the use of trails for bicycling and pedestrian activities. Future trails on the property will have connectivity to existing trails in the Lunch Loop Trail System on adjoining public lands which are part of one of the most popular and extensive public lands trail networks in the region. The Files property acquisition and conservation project will enable the addition of beginner-accessible mountain bike and walking trails along the No Thoroughfare Canyon wash area. These youth and family friendly trails will extend to the Three Sisters and Lunch Loop beginner trails. The strategic purchase of the Files property will provide alternative access points to Lunch Loop trails that are already often over used, as well as establish a public trail up No Thoroughfare Canyon wash to connect with neighborhoods. These trail connections with neighborhoods will dramatically increase the biking and walking venues in the Grand Valley.

Outdoor education opportunities for the general public provided as a result of the conservation easement may include interpretive programs (signage, smart phone applications, and literature) concerning geology and other natural history topics, volunteer land management events, and ecology research projects.

4 OPEN SPACE

The property provides scenic views and open space for the benefit of the public (see Section 1.6 for a summary of the property's conservation values). The open space conservation value of the property is described below and depicted in figures and documentary photographs following the main text of this report. Documentary photographs were taken at the photopoints shown on Figure 3.

4.1 Scenic Characteristics

The property encompasses semi-desert shrublands and dramatic sandstone rock outcrops and cliffs. The property is visible to the general public from adjoining and nearby public lands administered by the U.S. Bureau of Land Management (Photopoints 15 and 22) and the City of Grand Junction (Photopoint 3). Adjacent lands are open to and actively utilized by residents of Mesa County and the State of Colorado for outdoor recreation. A significant portion of the property is visible from Monument Road (Photopoints 4 and 7), a major scenic accessway to the nearby Colorado National Monument traveled by tens of thousands of visitors annually. As such, the property provides a degree of openness, contrast, and variety to the overall landscape, and scenic enjoyment to the general public. Scenic views across the property from public lands and roads, and from the property itself, which will be open for public access under the conservation easement, include Grand Mesa, the Book Cliffs, and the cliffs and canyons of Colorado National Monument. Efforts will be made to clean up any minor areas of debris on the property that are visible from Monument Road. These areas do not significantly affect the property's scenic values.

4.2 Significant Public Benefit

Preservation of the property's open space will yield a significant public benefit because there is a likelihood that subdivision and/or development of the property would contribute to the degradation of the scenic views of the land and in the vicinity of the land, as well as contribute to degradation of wildlife habitat and outdoor recreational experiences, which could indirectly affect the public through diminished enjoyment and potential loss of tourism and other recreation revenues. The property's proximity to downtown Grand Junction and Grand Junction's city limits (Figure 1) make it susceptible to subdivision and development in the near future. Preservation of the property will continue to provide an opportunity for the general public to appreciate its scenic values, and is important for preserving regional wildlife ranges and recreational opportunities with the potential to attract tourism to the area.

4.3 Consistency with Governmental Policies

A conservation easement on the property is supported by policy at the state and regional/local levels:

State policy.

- Colorado Revised Statutes (CRS) provide for the establishment of conservation easements to maintain land "in a natural, scenic, or open condition, or for wildlife habitat, or for agricultural [...] or other use or condition consistent with the protection of open land ..." [CRS §38-30.5-102]. The Colorado Wildlife and Parks and Outdoor Recreation statutes [CRS §33-1-101 and §§ 33-10-101], provide, respectively, that "It is the policy of the State of Colorado that the wildlife and their environment are to be protected, preserved, enhanced, and managed for the use, benefit, and enjoyment of the people of this state and visitors to this state" and that "It is the policy of the state of Colorado that the natural, scenic, scientific, and outdoor recreation areas of this state are to be protected, preserved, enhanced, and managed for the use, benefit, and enjoyment of the people of this state and visitors of this state."
- The Colorado Department of Transportation statutes [CRS §43-1-401, et seq.], provide that the "preservation and enhancement of the natural and scenic beauty of this state" are of substantial state interest.
- The Western Governors' Association Policy Resolution 08-21 supports "voluntary incentive-based methods for preserving open space, maintaining land and water for agricultural and timber production, wildlife and other values."

Regional and local policy.

- The conservation easement is consistent with, and helps achieve the goals of, the Joint City of Grand Junction – Mesa County Redlands Neighborhood Plan (2002), which considers scenic values, wildlife habitat, open space, and recreation opportunities important to the character of the Redlands. The plan outlines the following findings: "Monument Road has been identified as a visually important corridor on the Redlands, providing access to the Tabeguache trailhead and a gateway to the Colorado National Monument. In addition to the ridgeline views along the corridor, the views on either side of the roadway are also of importance to maintain the open vistas to the Monument. Similarly, the approach to the west

entrance to the Monument along Highway 340 should maintain open unobstructed vistas." Goals and policies to address these findings include protecting "the foreground, middle ground, and background visual/aesthetic character of the Redlands Planning Area" by minimizing "development on prominent ridgelines along the major corridors of Highway 340, South Broadway, South Camp road, and Monument Road" to maintain "the unobstructed view of the skyline." The conservation easement will protect part of the scenic corridor along Monument Road.

The Grand Junction – Mesa County Redlands Neighborhood Plan (2002) identifies No Thoroughfare Canyon wash (which crosses the property) among washes on the Redlands that "provide important drainage functions and values in the landscape and to the residents of the planning area." A goal of the plan is therefore to "conserve, protect, or restore the integrity of the values and functions that drainages/washes provide in the Redlands Planning Area. The conservation easement will protect a part of No Thoroughfare Canyon wash.

The plan acknowledges the importance wildlife habitat on the Redlands and establishes the goal to "preserve/conservate Mesa County's natural heritage of plants, animals, and biological conservation sites." The conservation easement will protect habitat for wildlife and potentially for rare plants.

The plan acknowledges the importance of parks, recreation, and open space, and establishes goals "to develop and maintain an interconnected system of neighborhood and community parks, trails and other recreational facilities" [...] and to "include open space corridors and areas throughout the Redlands Area for recreational, transportation, and environmental purposes." The conservation easement will provide for recreational enjoyment of the land by the general public.

- The Grand Valley Trails Master Plan (DRAFT April 16, 2013) identifies the Monument Road corridor as proposed for detached bike paths.

5 RELATIVELY NATURAL HABITAT

The property features relatively natural habitat conservation values (see Section 1.6 for a summary of the property's conservation values). The property's native semi-desert shrublands and cliff-canyon environs provide important relatively natural habitat and habitat linkages for wildlife in the area, especially reptiles and small mammals. Habitat components of the property (hydrology resources and vegetation communities) are described in Sections 2.4 and 2.5 of this report, respectively, and their locations are shown on Figure 7.

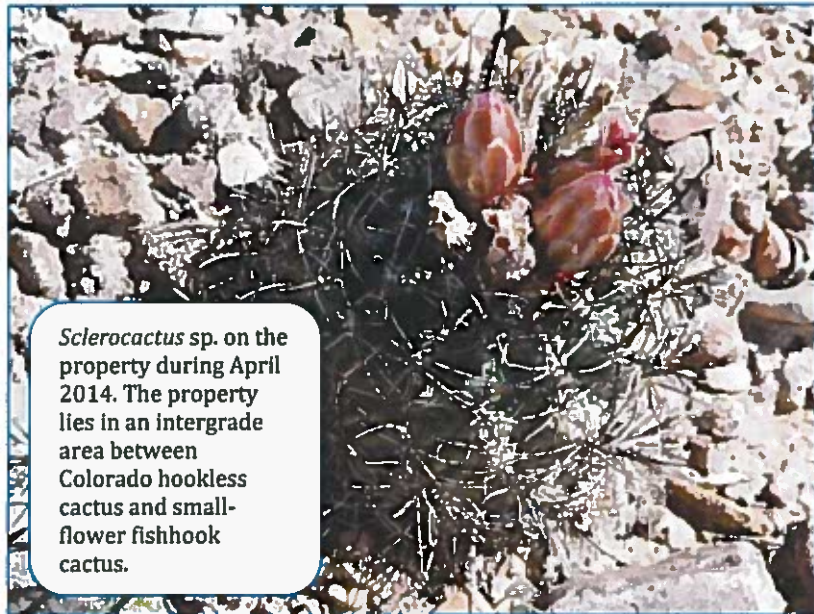
The appearance of the property's relatively natural habitat is depicted in documentary photographs following the main text of this report. Documentary photographs were taken at the photopoints shown on Figure 3 (the GPS coordinates of the photopoints are included at the front of the documentary photograph section of this report). The ranges of selected wildlife species are mapped, relative to the property, on Figure 8.

5.1 Habitat for Threatened, Endangered, or Special Concern Species

It is important to note that it was not within the scope of this report to conduct a comprehensive survey for threatened, endangered, or special concern species during the field visit. Nevertheless, based on habitat characteristics of the property, CNHP mapping, and local

knowledge, the property provides or has the potential to provide habitat for species recognized by the federal government or state government as threatened or of special concern. Each of these species is discussed, in turn, below.

- Colorado hookless cactus. Several individuals of *Sclerocactus* sp. were found in the north part of the property in the locations indicated on Figure 7. This small *Sclerocactus* population exhibits morphological traits described for both small-flower fishhook cactus (*Sclerocactus parviflorus*) and Colorado hookless cactus (*Sclerocactus glaucus*). The property lies within an zone of Mesa County (between Whitewater and Fruita) considered by the U.S. Fish and Wildlife Service to represent the intergradation of these morphologically similar species (Mayo 2012). Taxonomic work is underway to determine whether the two species hybridize in this zone or are genetically distinct and sympatric.



Colorado hookless cactus is listed as threatened under the U.S. Endangered Species Act, whereas the small-flower fishhook cactus is not. Until the taxonomic research is complete, it is uncertain whether the *Sclerocactus* plants found on the property will have legal status under the Endangered Species Act.

- Midget faded rattlesnake. This species is recognized by CPW as a Colorado State Species of Concern due to its apparent rarity and small range. It is known only from Mesa, Delta, and Garfield Counties in Colorado (Hammerson 1999). Taxonomists do not agree whether this small distinctly colored snake represents a subspecies of the western rattlesnake (*Crotalus viridis v. concolor*) or a separate species. The midget faded rattlesnake reaches about 24 inches in length, with brownish dorsal blotches on a tan, cream, or yellow-brown background color. In older adults the blotches are faded or sometimes absent. They occupy a wide range of vegetation communities, but appear to prefer rocky outcrops, both for shelter and access to reptile and rodent prey. They are active outside their dens or burrows from May to September.
- Longnose leopard lizard. Known from only three counties in western Colorado, and only from the Grand Valley in Mesa County (Hammerson 1999), this Colorado State Species of Concern emerges from its winter retreat burrow later than most other lizard species (late May), feeds and breeds during the early summer months, lays eggs in June or July, then returns to its burrow in early August when eggs begin to hatch. The hatchlings grow quickly, and usually remain active until early September when they, too, disappear underground. Hammerson (1999) notes that "persons observing this lizard in Colorado should thrill to their good luck." Populations of this lizard are extremely localized and low

density. Hammerson (1999) describes their preferred habitat on the south side of the Grand Valley as “stands of greasewood and sagebrush on [...] broad outwash plains in or near the mouths of canyons.” On a micro-habitat level, longnose leopard lizards prefer mounded soils at the base of shrubs where rodent burrows are abundant and the ground is bare or sparsely vegetated between the shrubs. The property presents nearly ideal habitat for longnose leopard lizard. Protection of stands of tall semi-desert shrublands and their associated burrowing rodent populations are necessary components of longnose leopard lizard conservation (Hammerson 1999).

- American peregrine falcon. By the mid-1960s, breeding populations of peregrine falcons across the country had declined due to widespread effects of the pesticide DDT (USFWS 1999). Breeding pairs were extirpated from the Great Plains states and south of the boreal forest in Canada, and less than 33 percent of historic nest sites remained occupied in the Rocky Mountain region (USFWS 1999). Consequently, the species became protected under the U.S. Endangered Species Act in 1970, and intensive recovery efforts in Colorado and throughout the states ensued. Between about 1976 and 1999, when recovery was declared and peregrine falcon was delisted, the estimated number of breeding pairs in Colorado had increased from about 4 to about 68 (Kingery 1998). Since its delisting, this sensitive raptor has been considered a Colorado State Species of Concern (CPW 2014). The peregrine falcon is a primarily a cliff nester, preferring ledges on sheer walls high above a river or stream. Potential peregrine falcon nest sites exist about two miles southwest of the property on the cliffs walls of Colorado National Monument, and a documented nest site is located in Unaweep Canyon, about 15 miles south of the property. Peregrine falcons hunt in the area for avian and small mammal prey, especially over the wash, cliffs and rock outcrops.

5.2 Potential Habitat for Rare Plant Species

Based on a review of CNHP's Natural Heritage Inventory of Mesa County (Lyons et al. 1996) and soil types on the property, the following rare plants (excluding *Sclerocactus glaucus* which is discussed in Section 5.1, above) have a high likelihood of occurring on the property.

- Jones blue star (*Amsonia jonesii*). This rare plant in the dogbane family prefers runoff-fed draws on sandstone-derived soils in desert-steppe environments. CNHP found Jones blue star north of the property during the 1990s (Lyon et al. 1996). This plant was not observed on the property during the field visit; however, the field visit was conducted prior to spring green-up.
- Grand Junction milkvetch (*Astragalus linifolius*). This bushy, linear leafed plant of the pea family is associated with pinyon and juniper on dry clay slopes and gullies of the Morrison Formation (Lyon et al. 1996). CNHP found Grand Junction milkvetch in the Redlands area during inventories in the 1990s.
- Long-flower cat's eye (*Cryptantha longiflora*). A short-lived perennial borage, this inconspicuous wildflower prefers sandy or clay soils and is associated with low semi-desert shrub communities. Other similar species in the genus *Cryptantha* are common in the area.

5.3 Big Game Habitat

The property lies within the overall ranges of game species including elk, mule deer, mountain lion, and black bear, all big game species that are of economic importance to Mesa County and the State of Colorado, and that contribute significantly to the biodiversity of the region.

- **Mule deer.** The property lies within CPW-mapped mule deer winter range and just south of a resident mule deer area (Figure 8). Mule deer may be present on the property any time of the year, and find good cover in the property's topographic patterns, especially in the No Thoroughfare Canyon wash. Mule deer contribute significantly to the biodiversity of the region, and due to hunting revenues, mule deer are of significant economic importance to Mesa County and the State of Colorado.
- **Mountain lion.** The property lies within the overall range of mountain lion (Figure 8), a wide-roaming species with a relatively large territory size requirement. Mountain lion can be expected to occur on the property occasionally—probably for no more than a day at a time—following the movements of mule deer, their primary prey. The property's topographical features, especially the washes, provide cover and security for mountain lions that may be moving through the area. Its ledges provide temporary denning and hiding opportunities. CPW maps most of the Redlands, including the property and the area surrounding the property, as a "mountain lion human conflict area."
- **Black bear.** The property lies within the overall range of black bear (Figure 8). The black bear is a wide-roaming species with a relatively large territory size requirement. Black bear that occur occasionally on the property are most likely dispersing between more suitable habitats—moving from higher elevation habitat in serviceberry and Gambel oak stands to the west to areas on the Gunnison and Colorado River corridors to the east, where they find fruit-bearing shrubs such as three-leaf sumac.

5.4 Habitat for Other Wildlife

The native shrublands, cliff and canyon environs, and washes on the property provide habitat or habitat linkages for small animals with large home ranges moving across the surrounding landscape, including many shrubland-dependent neotropical migratory songbirds whose populations are declining in all or parts of their ranges (Sauer et al. 2014). These include horned lark, loggerhead shrike, northern mockingbird, black-throated sparrow, lark sparrow, gray vireo, rock wren, and canyon wren.

Raptors such as golden eagle, red-tailed hawk, American kestrel, and turkey vulture are expected to be fairly common (year-round or seasonally) in the area and across the property, as they hunt for abundant small prey. The rock bands and ledges on the property provide suitable nest sites, roosts, and perches for the larger raptors.

Other small mammals such as coyote, ringtail, red fox, bobcat, badger, striped skunk, raccoon, desert cottontail, white-tailed antelope squirrel, woodrat, Ord's kangaroo rat, and several species of mice, are known or expected to inhabit or visit the property and utilize its habitat types. Several bat species are expected to occur as seasonal migrants or visitors on the property, finding suitable roosts in the property's rock outcrops. A diversity of herptiles is anticipated to occur on the property, including western yellowbelly racer, southwest blackhead snake, corn snake, night snake, milk snake, striped whipsnake, bull snake, sagebrush lizard,

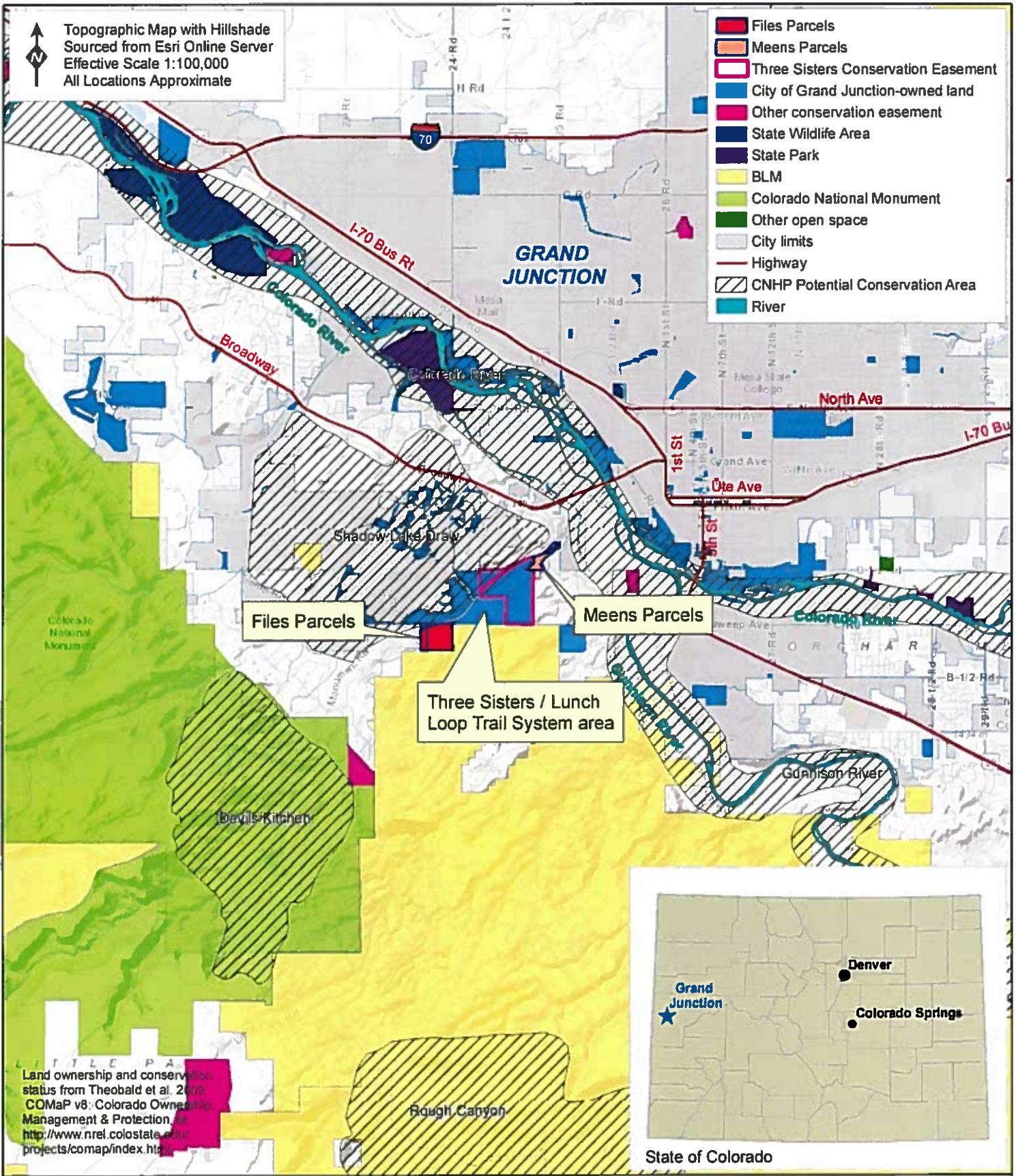
plateau lizard, plateau striped whiptail, western whiptail, collared lizard, long-nosed leopard lizard, tree lizard, side-blotched lizard, and short-horned lizard.

6 REFERENCES

- Armstrong, D.M., J.P. Fitzgerald, and C.A. Meany. 2011. *Mammals of Colorado*. 2nd Ed. Boulder, Colorado: Univ. Press of Co. 620 pp.
- Belknap, Jayne. 2006. An introduction to biological soil crusts. Available at <http://www.soilcrust.org/crust101.htm>. USGS Canyonlands Research Station, Southwest Biological Science Center. Updated April 24, 2006.
- CDOW (Colorado Division of Wildlife). 2006. *Colorado's Comprehensive Wildlife Conservation Strategy and Wildlife Action Plans*. November 2. <http://wildlife.state.co.us/WildlifeSpecies/ColoradoWildlifeActionPlan/>
- CPW (Colorado Parks and Wildlife). 2014. *Threatened & Endangered Species List*. <http://cpw.state.co.us/learn/Pages/SOC-ThreatenedEndangeredList.aspx>. Accessed June 20, 2014.
- CNHP (Colorado Natural Heritage Program). 1997. *Rare Plant Field Guide*. Fort Collins, CO.
- CWMA (Colorado Weed Management Association). 2004. *Troublesome Weeds of the Rocky Mountain West*. 8th Edition.
- Hamilton, J.E. 2008. *Conservation Easement Drafting and Documentation*. 1st Edition. Washington D.C.: Land Trust Alliance. 324 pp.
- Hammerson, G. A. 1999. *Amphibians & Reptiles in Colorado*. 2nd Ed. Boulder: Univ. Press of Colorado. 484 pp.
- Kingery, H. E. (Ed.). 1998. *Colorado Breeding Bird Atlas*. Denver: Colorado Bird Atlas Partnership and Colorado Division of Wildlife.
- Lyon, P., C. Pague, R. Rondeau, L. Renner, C. Slater, and C. Richard. 1996. *Natural Heritage Inventory of Mesa County, Colorado*. Prepared by Colorado Natural Heritage Program for Mesa County Board of Commissioners. December 15.
- Mayo, Ellen (U.S. Fish & Wildlife Service, Grand Junction Office). 2012. Personal communication with D. Reeder (Rare Earth Science). April 16.
- Mesa County Planning Commission and City of Grand Junction. 2002. *Joint City of Grand Junction – Mesa County Redlands Neighborhood Plan*. Adopted on June 13 by the Planning Commission and June 26 by the City. 99 pp.
- Miller, B., D. Foreman, M. Fink, D. Shinneman, J. Smith, M. DeMarco, M. Soulé, and R. Howard. 2003. *Southern Rockies Wildland Network Vision*. Golden: Colorado Mountain Club Press.
- NRCS. 2007. *Soil Survey Geographic (SSURGO) database for the Mesa County Area, Colorado (dataset co680)*. Available at <http://SoilDataMart.nrcs.usda.gov/>.

- Rare Earth. 2014. ASTM E1528 Transaction Screen Process Report, Files and Meens Parcels (The Bookends), Grand Junction, Colorado. Prepared for Mesa Land Trust. May.
- Rosentreter, R., M. Bowker, and J. Belnap. 2007. A Field Guide to Biological Soil Crusts of Western U.S. Drylands. U.S. Government Printing Office, Denver, Colorado. Available at http://sbsc.wr.usgs.gov/products/pdfs/Field_Guide_Book_25.pdf.
- Sauer, J. R., J. E. Hines, J. E. Fallon, K. L. Pardieck, D. J. Ziolkowski, Jr., and W. A. Link. 2014. The North American Breeding Bird Survey, Results and Analysis 1966 - 2012. Version 02.19.2014 USGS Patuxent Wildlife Research Center, Laurel, MD. Available at <http://www.mbr-pwrc.usgs.gov/bbs/bbs.html>
- Werkmeister, Melissa. 2013. Mesa County Noxious Weed Management Plan. Division of Pest Management. Adopted November 30, 2009 and revised in 2013.
- USFWS (U.S. Fish & Wildlife Service). 1999. Federal Register Vol. 64, No. 164, pp. 46542-46558. August 25.
- Weber, William A. and Ronald C. Wittmann. 2001. Colorado Flora: Western Slope. Third Ed. Boulder: University of Colorado Press.
- Whitson, T.D. (Ed.) 2000. Weeds of the West. Ninth Ed. Newark: The Western Society of Weed Science, University of Wyoming, & Western U.S. Land Grant Universities Cooperative Extension Services.

FIGURES



DATE: May 2014

DRAWN BY: D. Reeder



PO Box 1245
 Paonia, Colorado 81428
 (970) 527-8445
www.rareearthscience.com

**REGIONAL & LOCAL
 LOCATOR MAPS**

**FILES CONSERVATION EASEMENT
 BASELINE DOCUMENTATION REPORT**
 Mesa County, Colorado

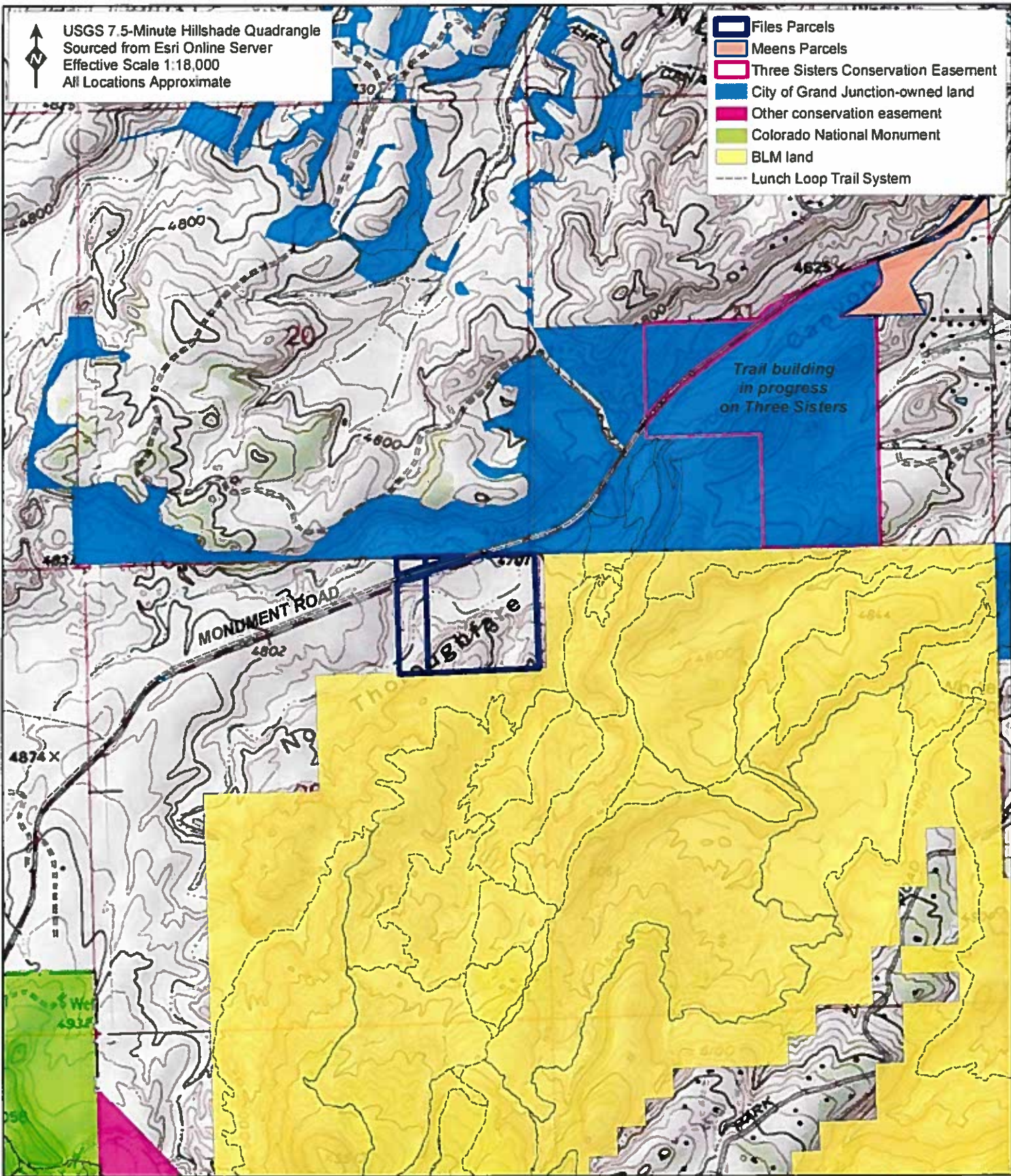
FIGURE

1



USGS 7.5-Minute Hillshade Quadrangle
 Sourced from Esri Online Server
 Effective Scale 1:18,000
 All Locations Approximate

- Files Parcels
- Meens Parcels
- Three Sisters Conservation Easement
- City of Grand Junction-owned land
- Other conservation easement
- Colorado National Monument
- BLM land
- Lunch Loop Trail System



DATE: May 2014

DRAWN BY: D. Reeder



RARE EARTH SCIENCE

PO Box 1245
 Paonia, Colorado 81428
 (970) 527-8445
www.rareearthscience.com

TOPOGRAPHIC MAP

**FILES CONSERVATION EASEMENT
 BASELINE DOCUMENTATION REPORT
 Mesa County, Colorado**

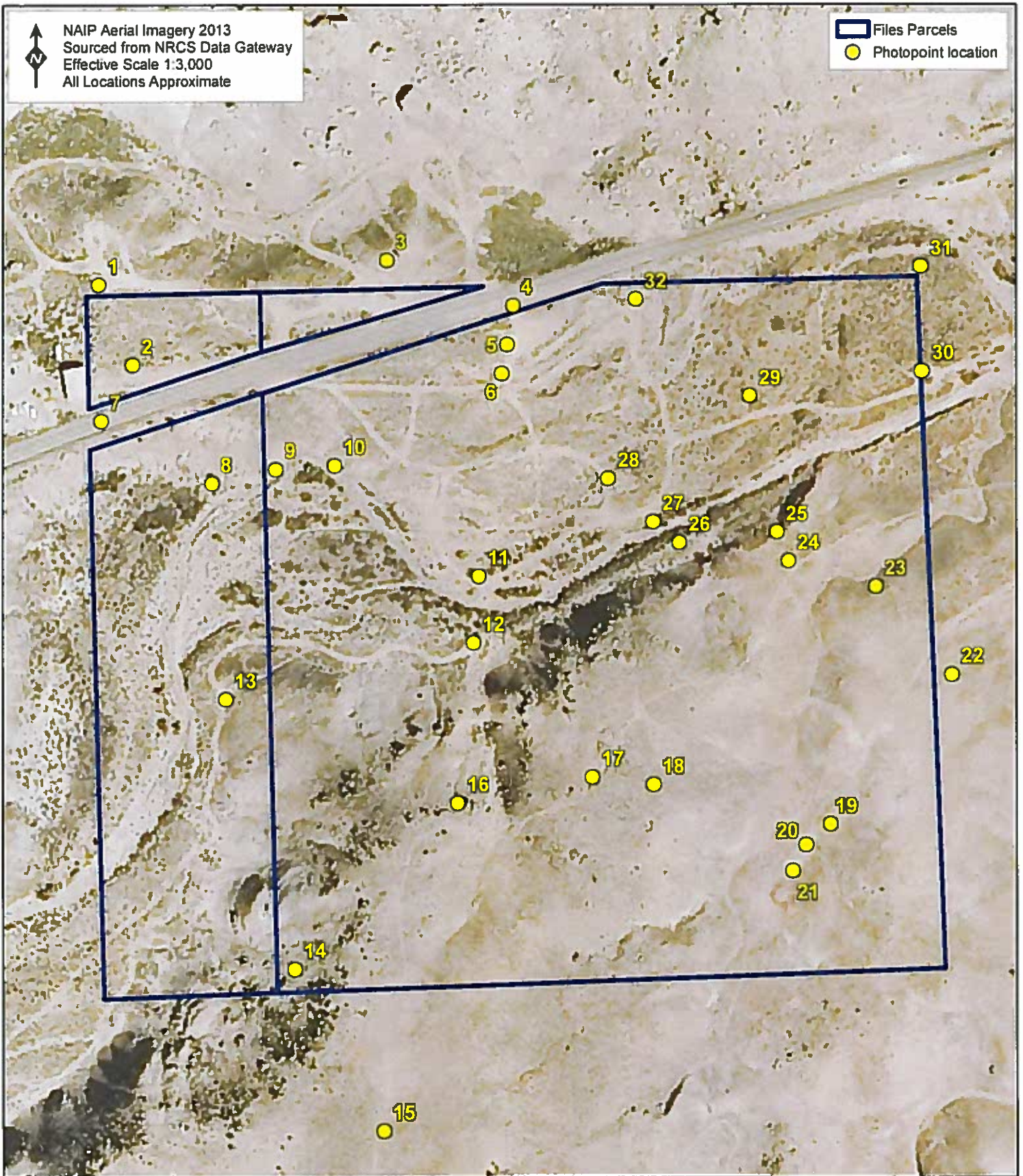
FIGURE

2



NAIP Aerial Imagery 2013
Sourced from NRCS Data Gateway
Effective Scale 1:3,000
All Locations Approximate

Files Parcels
Photopoint location



DATE: May 2014

DRAWN BY: D. Reeder



RARE EARTH SCIENCE

PO Box 1245
Paonia, Colorado 81428
(970) 527-8445
www.rareearthscience.com

AERIAL PHOTOGRAPH & PHOTOPOINT LOCATIONS

FILES CONSERVATION EASEMENT
BASELINE DOCUMENTATION REPORT
Mesa County, Colorado

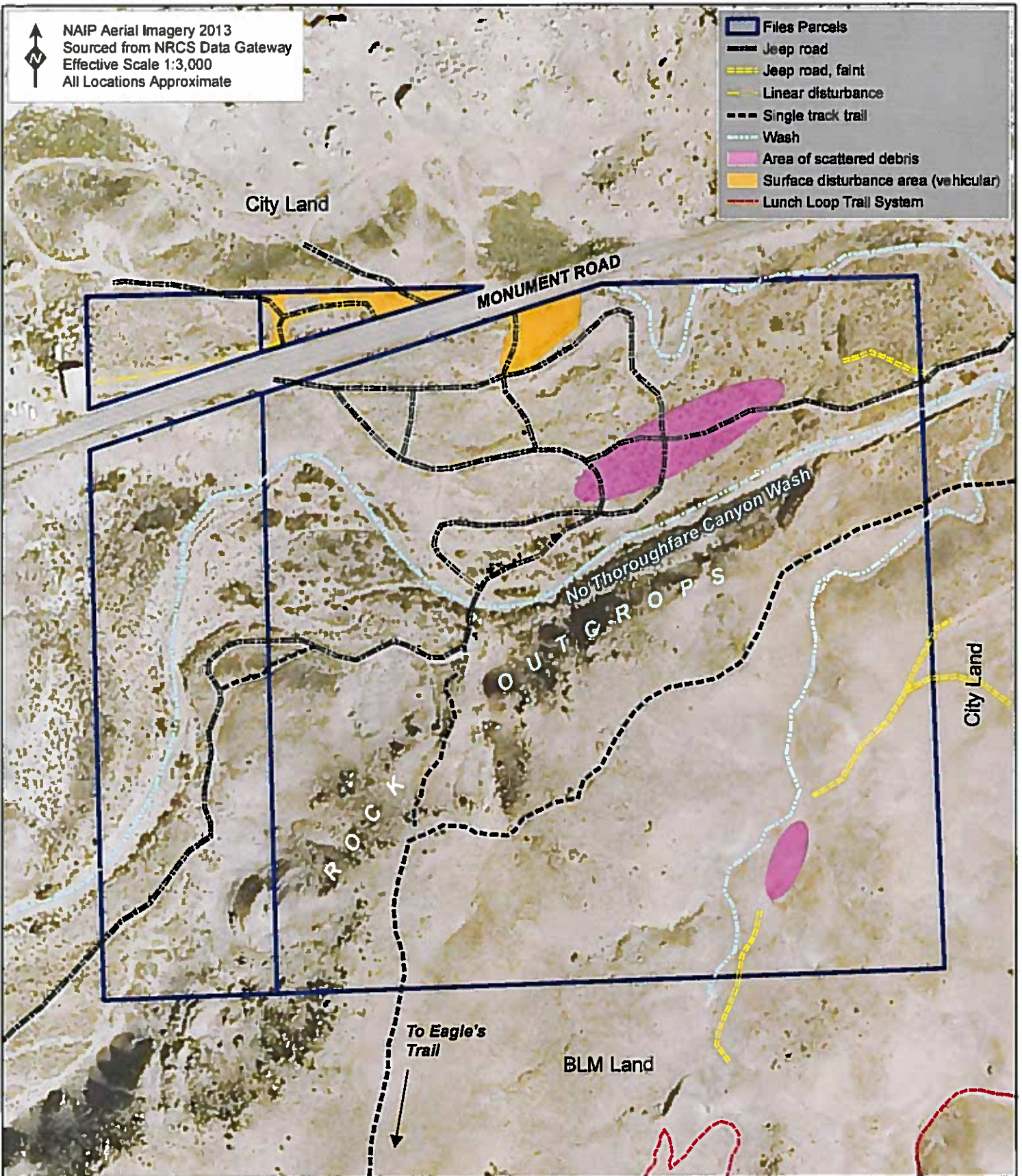
FIGURE

3



NAIP Aerial Imagery 2013
 Sourced from NRCS Data Gateway
 Effective Scale 1:3,000
 All Locations Approximate

- Files Parcels
- Jeep road
- Jeep road, faint
- Linear disturbance
- Single track trail
- Wash
- Area of scattered debris
- Surface disturbance area (vehicular)
- Lunch Loop Trail System



DATE: May 2014

DRAWN BY: D. Reeder



RARE EARTH SCIENCE

PO Box 1245
 Paonia, Colorado 81428
 (970) 527-8445
www.rareearthscience.com

IMPROVEMENTS & FEATURES

FILES CONSERVATION EASEMENT
 BASELINE DOCUMENTATION REPORT
 Mesa County, Colorado

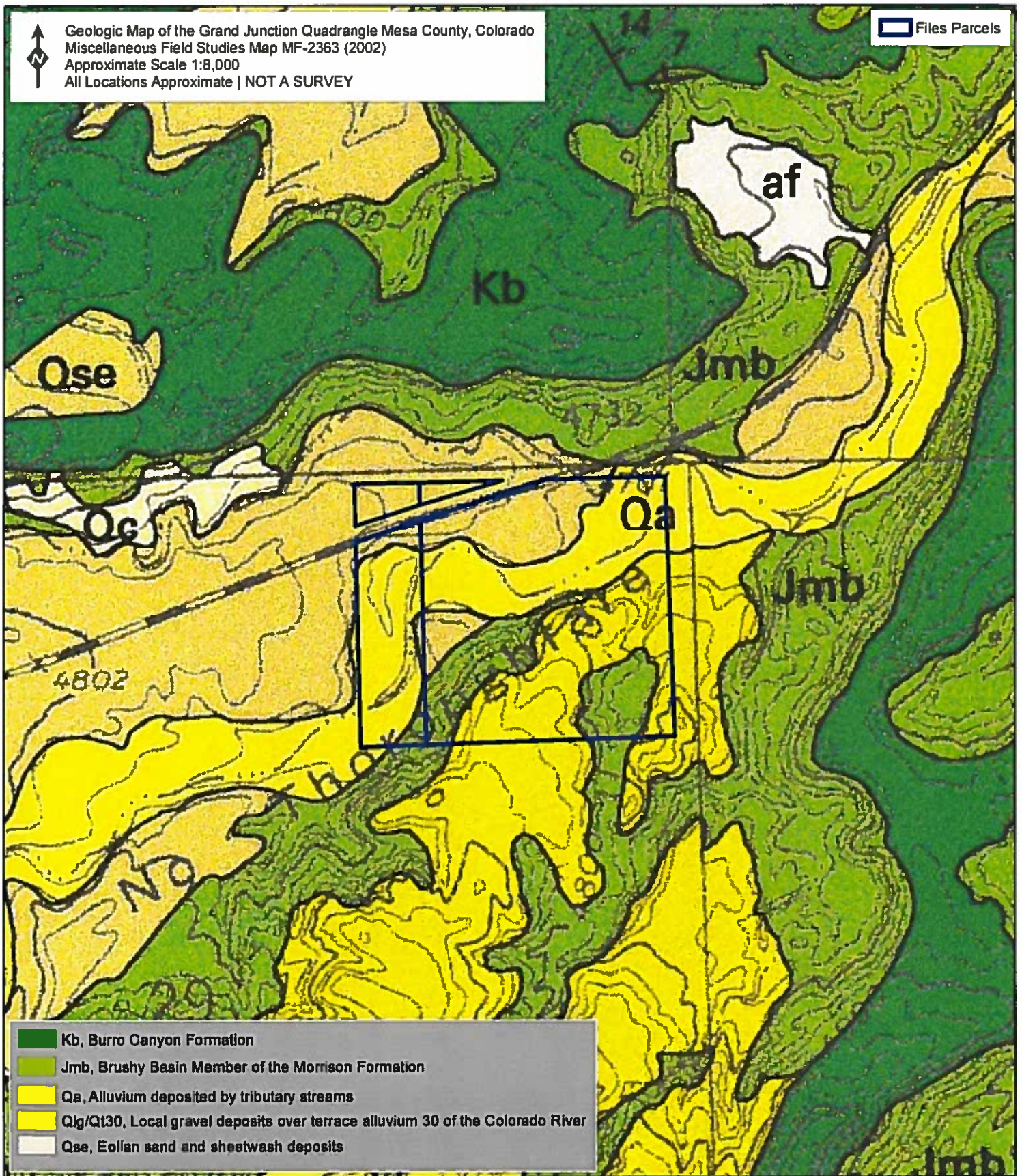
FIGURE






4



Geologic Map of the Grand Junction Quadrangle Mesa County, Colorado
 Miscellaneous Field Studies Map MF-2363 (2002)
 Approximate Scale 1:8,000
 All Locations Approximate | NOT A SURVEY

 Files Parcels



-  Kb, Burro Canyon Formation
-  Jmb, Brushy Basin Member of the Morrison Formation
-  Qa, Alluvium deposited by tributary streams
-  Qlg/Q130, Local gravel deposits over terrace alluvium 30 of the Colorado River
-  Qse, Eolian sand and sheetwash deposits

DATE: May 2014

DRAWN BY: D. Reeder



RARE EARTH SCIENCE

PO Box 1245
 Paonia, Colorado 81428
 (970) 527-8445
www.rareearthscience.com

GEOLOGIC MAP

**FILES CONSERVATION EASEMENT
 BASELINE DOCUMENTATION REPORT
 Mesa County, Colorado**

FIGURE





5



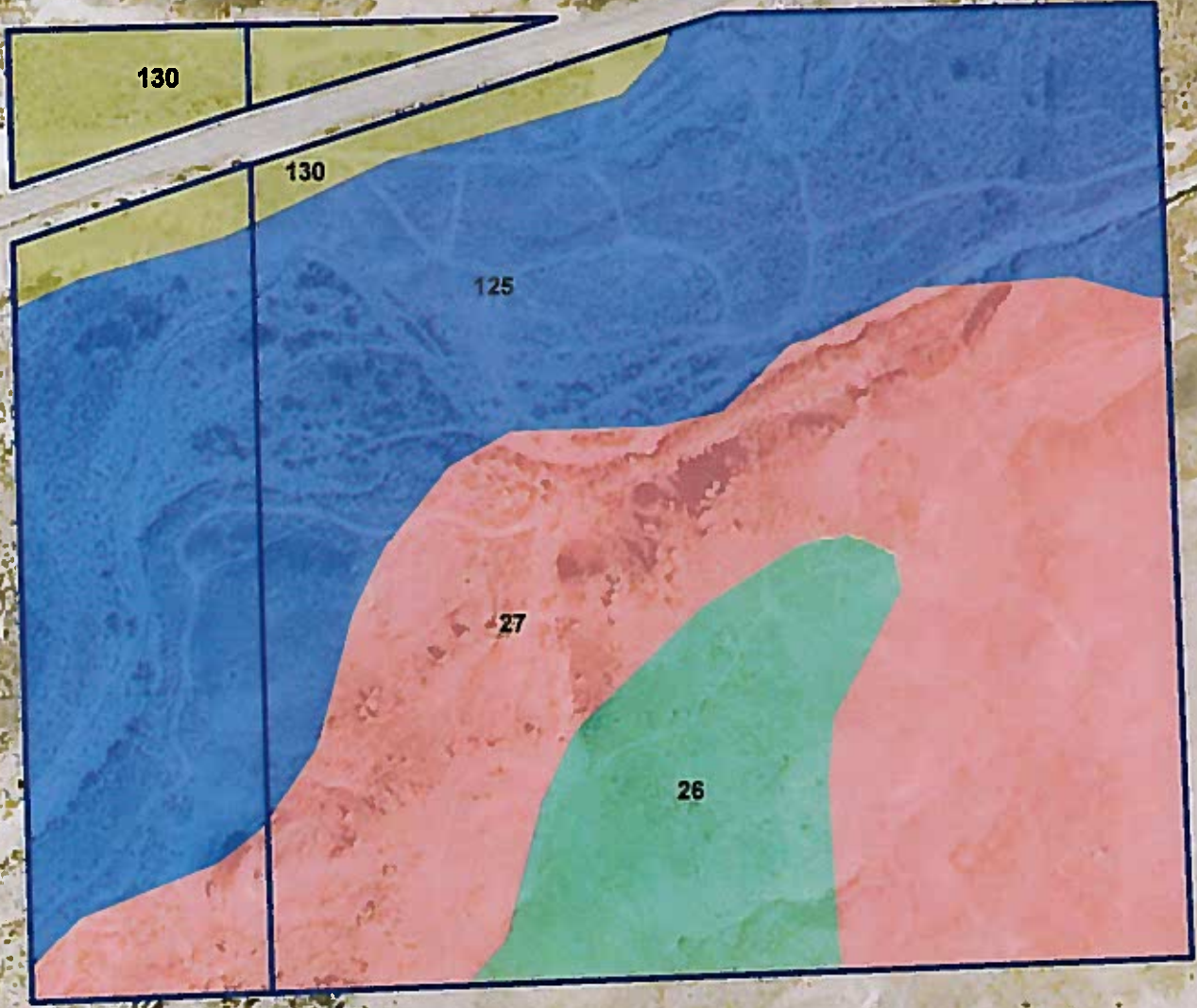
NAIP Aerial Imagery 2013
 Sourced from NRCS Data Gateway
 Effective Scale 1:3,000
 All Locations Approximate

 Files Parcels

Mapped Soil Units from Local Soil Survey

-  27 | Rock outcrop-Biedsaw complex, 25 to 65 percent slopes, extremely bouldery
-  26 | Berto-Roygorge-Rock outcrop complex, 5 to 15 percent slopes, extremely stony
-  130 | Sheppard loamy fine sand, 2 to 5 percent slopes
-  125 | Moffat sandy loam, 2 to 6 percent slopes

Soil mapping from U.S. Dept. of Agriculture,
 Natural Resources Conservation Service.
 2007. Soil Survey Geographic (SSURGO)
 database for Mesa County Area, Colorado,
 publication 00580.



DATE: May 2014

DRAWN BY: D. Reeder



RARE EARTH SCIENCE

PO Box 1245
 Paonia, Colorado 81428
 (970) 527-8445
www.rareearthscience.com

SOILS MAP

**FILES CONSERVATION EASEMENT
 BASELINE DOCUMENTATION REPORT
 Mesa County, Colorado**

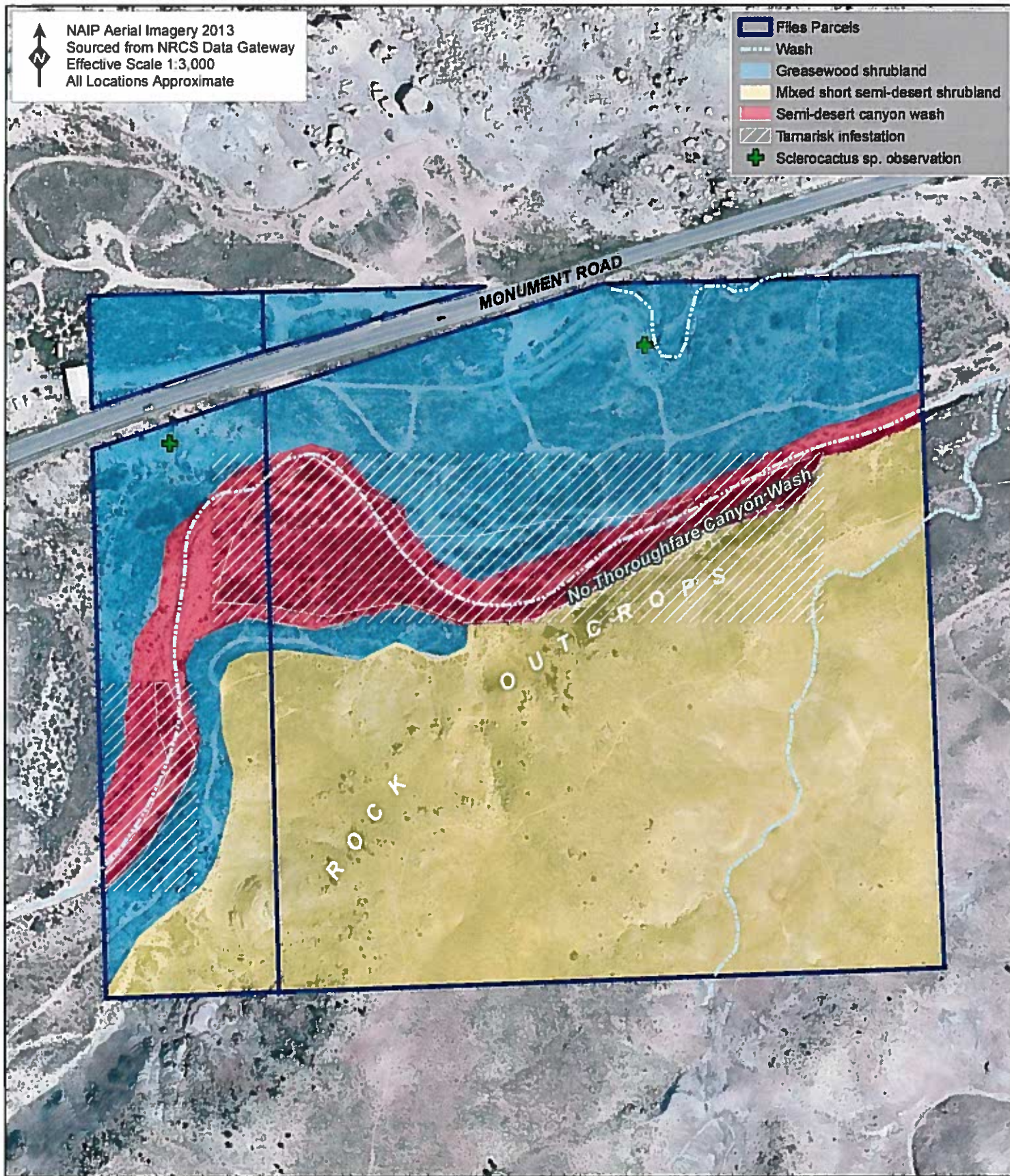
FIGURE

6



NAIP Aerial Imagery 2013
 Sourced from NRCS Data Gateway
 Effective Scale 1:3,000
 All Locations Approximate

- Files Parcels
- Wash
- Greasewood shrubland
- Mixed short semi-desert shrubland
- Semi-desert canyon wash
- Tamarisk infestation
- Sclerocactus sp. observation



DATE: May 2014

DRAWN BY: D. Reeder



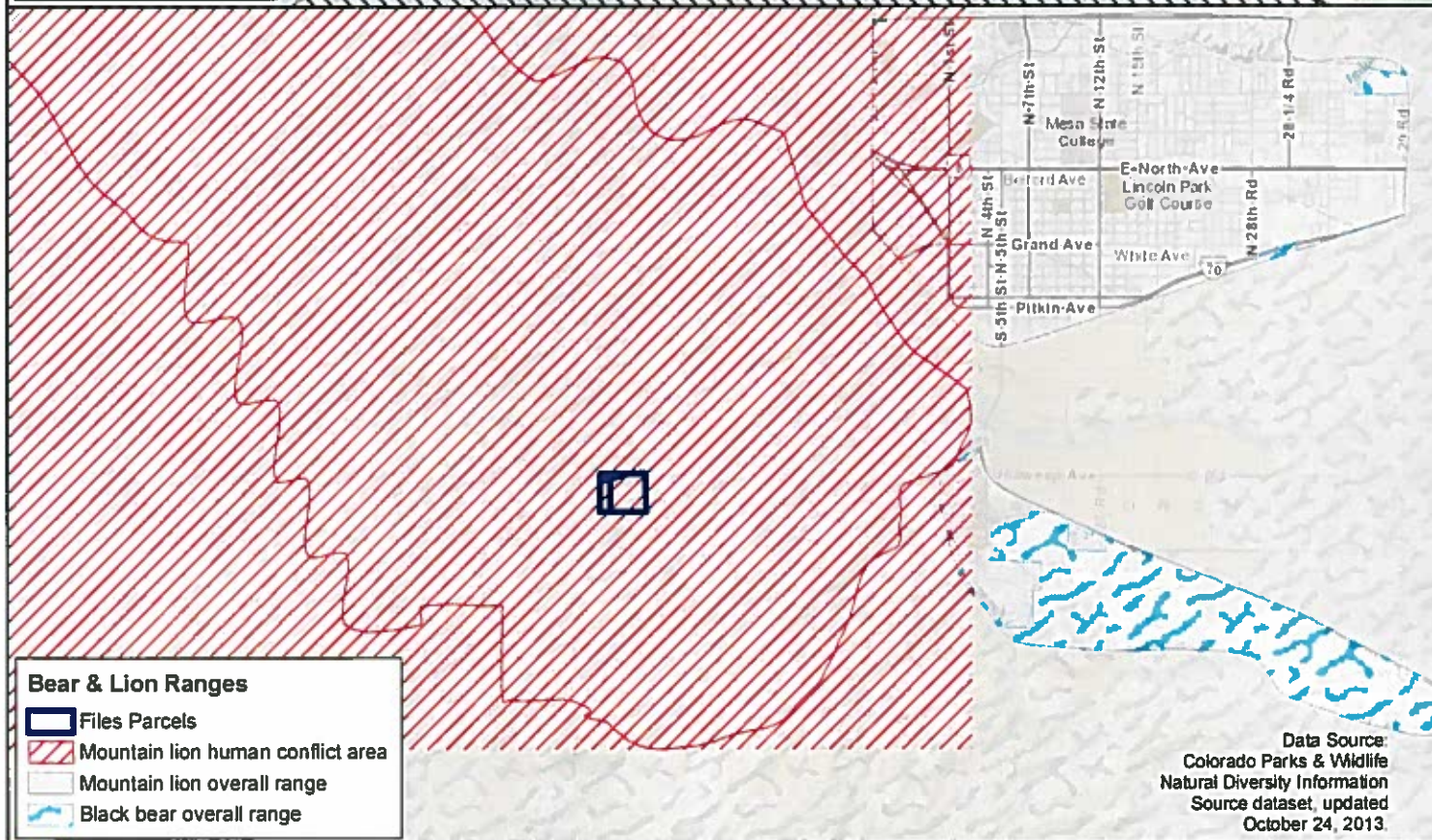
RARE EARTH SCIENCE
 PO Box 1245
 Paonia, Colorado 81428
 (970) 527-8445
www.rareearthscience.com

VEGETATION

FILES CONSERVATION EASEMENT
 BASELINE DOCUMENTATION REPORT
 Mesa County, Colorado

FIGURE

7



DATE: May 2014

DRAWN BY: D. Reeder



RARE EARTH SCIENCE

PO Box 1245
Paonia, Colorado 81428
(970) 527-8445
www.rareearthscience.com

WILDLIFE RANGE MAPS

FILES CONSERVATION EASEMENT
BASELINE DOCUMENTATION REPORT
Mesa County, Colorado

FIGURE

8

DOCUMENTARY PHOTOGRAPHS

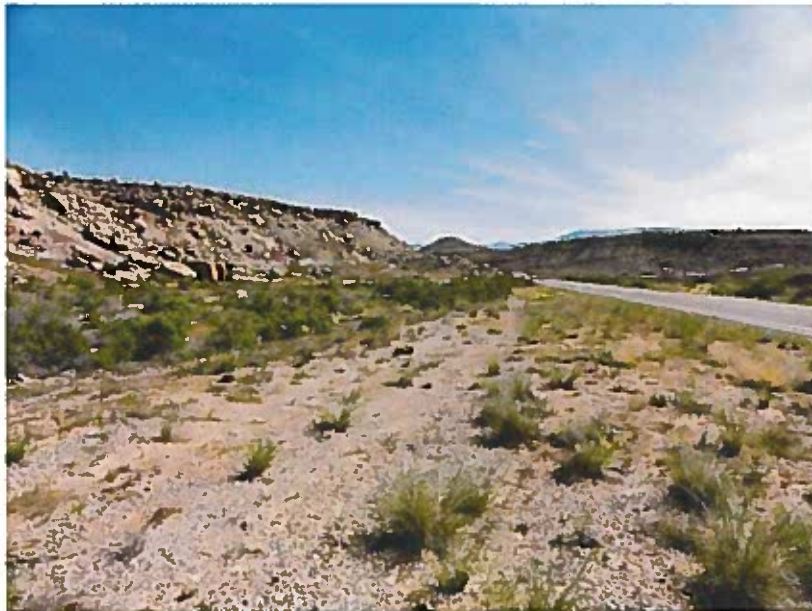
Keyed to Figure 3

Photopoint (PPT) Coordinates, UTM NAD 83 Zone 12

PPT	Easting (X)	Northing (Y)	PPT	Easting (X)	Northing (Y)
1	706519.3	4324887.0	17	706805.5	4324602.2
2	706538.7	4324840.8	18	706840.5	4324598.1
3	706686.2	4324901.0	19	706943.0	4324574.7
4	706759.0	4324874.9	20	706928.8	4324563.1
5	706756.0	4324852.3	21	706921.3	4324548.1
6	706753.0	4324835.3	22	707013.0	4324661.4
7	706520.6	4324808.2	23	706969.7	4324712.2
8	706584.9	4324772.4	24	706918.8	4324727.2
9	706622.0	4324780.4	25	706912.2	4324743.9
10	706655.7	4324782.5	26	706855.5	4324738.0
11	706739.4	4324718.4	27	706840.5	4324749.7
12	706736.1	4324680.4	28	706814.7	4324774.7
13	706592.7	4324647.8	29	706896.4	4324822.2
14	706632.9	4324491.3	30	706996.3	4324836.4
15	706684.0	4324397.8	31	706995.5	4324897.2
16	706727.2	4324587.2	32	706830.4	4324878.3



Photopoint 1. Panorama looking northeast through south-by-southwest (left to right) from near the northwest property corner. Structure and motorhome are on the adjoining land to the west (4/24/14).



Photopoint 2. Looking east-by-northeast in the west portion of the property that lies north of Monument Road (4/24/14).



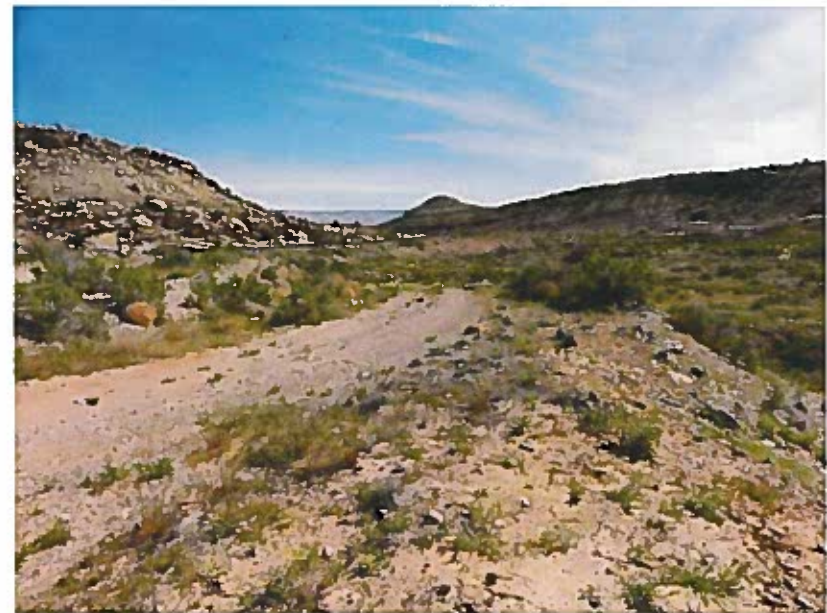
Photopoint 3. Looking west-by-southwest from adjoining City-owned land across the north part of the property (4/24/14).



Photopoint 4. Panorama looking east-by-northeast through west-by-southwest (left to right) from Monument Road across that portion of the property lying south of Monument Road. Main vehicular access to property is the dirt road in the center of the photo (4/24/14).



Photopoint 5. Looking northwest at disturbed ground south of Monument Road (4/24/14).



Photopoint 6. Looking east-by-northeast at a primitive road leading into a tributary of No Thoroughfare Wash on the property (4/24/14).



Photopoint 6. Panorama looking east through west-by-southwest (left to right) from near Monument Road across the greasewood flats north of No Thoroughfare Canyon wash on the property. The wash lies near the end of the road at the center of the photo (4/24/14).



Photopoint 7. Panorama looking east-by-northeast through west-by-southwest (left to right) from Monument Road near the west property boundary. The south property boundary lies on the mesa in the middle distance in the center of the photo (4/24/14).



Photopoint 8. Looking east-by-southeast at No Thoroughfare Canyon wash in the northwest part of the property (4/24/14).



Photopoint 8. Looking southwest at No Thoroughfare Canyon wash in the northwest part of the property (4/24/14).



Photopoint 9. Looking east at detail of cliff face along No Thoroughfare Canyon wash in the northwest part of the property (4/24/14).



Photopoint 10. Looking southwest at area of tamarisk infestation in No Thoroughfare Wash on the northwest part of the property (4/24/14).



Photopoint 11. Looking northwest at road approaching No Thoroughfare Canyon wash and tamarisk infestation in the center of the property (4/24/14).



Photopoint 11. Looking east at road approaching No Thoroughfare Canyon wash and tamarisk infestation in the center of the property (4/24/14).



Photopoint 12. Looking east-by-northeast in center of the property at the south side of the No Thoroughfare Canyon wash (4/24/14).



Photopoint 12. Looking southeast at barren hill formation south of No Thoroughfare Canyon wash in the center of the property (4/24/14).



Photopoint 13. Panorama looking east through southwest (left to right) in the west part of the property from a primitive road south of No Thoroughfare Canyon wash (4/24/14).



Photopoint 13. Panorama (continued) looking southwest through north-by-northwest (left to right) in the west part of the property from a primitive road south of No Thoroughfare Canyon wash (4/24/14).



Photopoint 14. Panorama looking west through northeast (left to right) in the west part of the property near the property's south boundary (4/24/14).



Photopoint 15. Panorama looking north-by-northwest through northeast (left to right) from BLM land adjoining the property to the south. Trails visible in the foreground lead to and continue onto the property (4/24/14).



Photopoint 16. Panorama looking southeast through northwest (left to right) across the south-central part of the property from near a trail that follows the south rim of No Thoroughfare Canyon (4/24/14).



Photopoint 16. Panorama (continued) looking northwest through southeast (left to right) across the north-central part of the property from near a trail that follows the south rim of No Thoroughfare Canyon (4/24/14).



Photopoint 16. Looking southeast at vegetation detail on canyon rim; *Thelypodopsis elegans* was blooming across the property (4/24/14).



Photopoint 17. Looking south from canyon rim trail at south-central part of the property (4/24/14).



Photopoint 18. Panorama looking north-by-northwest through east (left to right) across the northeast part of the property from the mesa above No Thoroughfare Canyon (4/24/14).



Photopoint 18. Panorama (continued) looking east through south-by-southwest (left to right) across the southeast part of the property from the mesa above No Thoroughfare Canyon (4/24/14).



Photopoint 19. Looking northwest in the draw in the southeast part of the property (4/24/14).



Photopoint 19. Looking northeast in the draw in the southeast part of the property (4/24/14).



Photopoint 20. Looking south at debris in draw in the southeast part of the property (4/24/14).



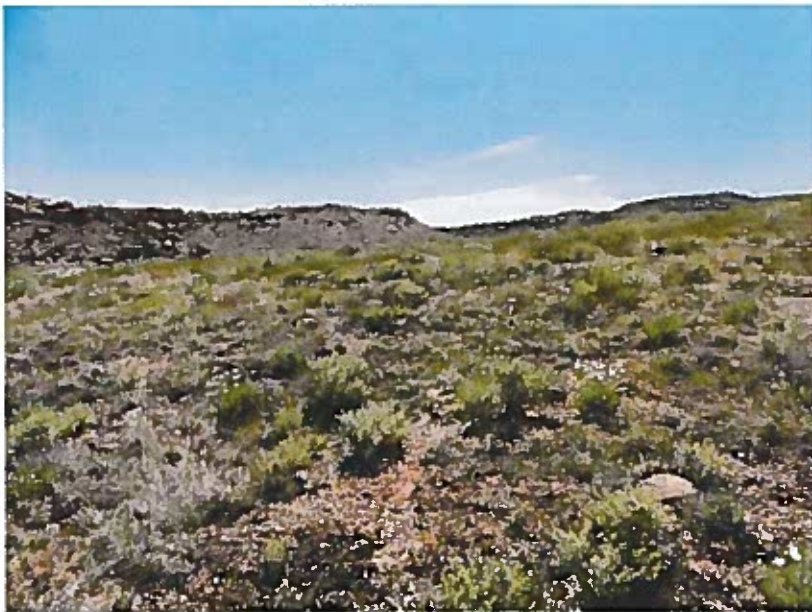
Photopoint 21. Looking south at geologic feature near the southeast property corner, with glass debris (4/24/14).



Photopoint 22. Panorama looking southwest through northwest (left to right) from BLM land adjoining the property to the east; area has a large patch of non-native annual wheatgrass (4/24/14).



Photopoint 23. Panorama looking northwest through northeast (left to right) across a tributary drainage of No Thoroughfare Canyon on the east-central part of the property; hill on nearby Three Sisters property (arrow) visible in the middle distance (4/24/14).



Photopoint 23. Looking southeast across the mesa in the east part of the property (4/24/14).



Photopoint 24. Looking northeast along trail in east part of the property; hill on Three Sisters property (arrow) visible in middle distance (4/24/14).



Photopoint 25. Panorama looking southwest through northeast (left to right) at overview of No Thoroughfare Canyon and the northeast part of the property (4/24/14).



Photopoint 25. Panorama (continuing) looking northeast through west (left to right) across southeast part of the property from the south rim of No Thoroughfare Canyon (4/24/14).



Photopoint 26. Looking southwest at low terrace south of No Thoroughfare Canyon wash in the east part of the property (4/24/14).



Photopoint 26. Looking northeast at low terrace south of No Thoroughfare Canyon wash in the east part of the property (4/24/14).



Photopoint 27. Looking southwest at channel of No Thoroughfare Canyon wash in the east part of the property (4/24/14).



Photopoint 27. Looking northeast at channel of No Thoroughfare Canyon wash in the east part of the property (4/24/14).



Photopoint 28. Looking northwest at typical road in area of property between No Thoroughfare Canyon wash and Monument Road (4/24/14).



Photopoint 28. Looking west at greasewood shrubland north of No Thoroughfare Canyon wash in the east part of the property (4/24/14).



Photopoint 28. Looking northeast at discarded tire, scrap metal, and other debris north of wash in the east part of the property (4/24/14).



Photopoint 29. Looking northeast at area of debris (broken glass and crockery) in the northeast part of the property (4/24/14).



Photopoint 30. Panorama looking south through north (left to right) at overview of northeast part of the property from the east property boundary (4/24/14).



Photopoint 31. Looking southwest across the property from the northeast corner (4/24/14).



Photopoint 32. Looking southwest at road leading from Monument Road to the low terrace above No Thoroughfare Canyon wash (4/24/14).



Photopoint 32. Looking south at typical road in area between No Thoroughfare Canyon wash and Monument Road (4/24/14).



Photopoint 32. Looking north-by-northeast at rip-rapped drainage and Monument Road prism (left) near the north property boundary (4/24/14).

APPRAISAL REPORT
OF THE
FILES PROPERTY
LOCATED AT
2395 MONUMENT ROAD,
GRAND JUNCTION, COLORADO

APPRAISED FOR:

Mesa Land Trust
C/O Ms. Libby Collins
1006 Main Street
Grand Junction, CO 81501

GOCO Grant #14124

DATE OF VALUATION

June 1, 2014

DATE OF REPORT

July 10, 2014

APPRAISED BY

ARNIE BUTLER & COMPANY
R. Arnold Butler, MAI
And
Kori S. Satterfield
Grand Junction, Colorado

TIN: 84-1086139

ARNIE BUTLER & COMPANY
REAL ESTATE APPRAISERS & CONSULTANTS
300 Main Street, Suite 301
Grand Junction, Colorado 81501

R. Arnold Butler, MAI
Certified General Appraiser
Licensed in Colorado and Utah
E-mail: arnie@wic.net

Phone 970-241-2716
Fax 970-241-5653
TIN: 84-1086139

Melinda Schminke
Licensed Appraiser
Kori S. Satterfield
Licensed Appraiser

July 10, 2014

Mesa Land Trust
1006 Main Street
Grand Junction, CO 81501

GOCO Grant No. 14124

Ms. Collins:

In response to your request to prepare an appraisal on the Files property located at 2395 Monument Road, Mesa County, we have completed that assignment. The analysis was made for the purpose of estimating the Fair Market Value of the fee simple estate of the subject property, as of June 1, 2014.

All data used, logic employed and conclusions are subject to the enclosed Certification, Assumptions and Limiting Conditions. The appraisal is being completed in conformance to the prevailing guidelines of the Uniform Standards of Professional Appraisal Practice (USPAP).

The property contains a total of 48.38 acres, and is comprised of three individual parcels. Because the property has the highest and best use as three individual parcels and not as one individual development potential parcel, it is appraised as the three individual parcels. Thus, our opinions of the individual parcel values are stated below. Based upon our investigation and analysis of the data gathered with respect to this assignment, we have formed the opinion that the present value conclusion for the subject, as of June 1, 2014, are as follows:

PRESENT MARKET VALUE

1.20 acres	- \$ 75,000
8.25 acres - @ \$12,750/ac	- \$105,000
38.93 acres - @ \$6,500/ac	- \$255,000

Very truly yours,
ARNIE BUTLER & COMPANY



R. Arnold Butler, MAI
Certified General Appraiser
Colorado License No. CG01313160



Kori S. Satterfield
Licensed Appraiser
Colorado License No. 100031881

TABLE OF CONTENTS

LETTER OF TRANSMITTAL I

TABLE OF CONTENTS

SUBJECT PHOTOGRAPHS

SUMMARY OF SALIENT FACTS AND IMPORTANT CONCLUSIONS..... 1-2

CERTIFICATE OF APPRAISAL 3-4

IDENTIFICATION OF THE PROPERTY 5

LEGAL DESCRIPTION 5-6

PURPOSE OF THE APPRAISAL 6

DATE OF VALUE 7

CLIENT, USE AND USER OF THE APPRAISAL 7

PROPERTY RIGHTS APPRAISED 8

OWNERSHIP AND HISTORY OF THE PROPERTY 8-9

TAX AND ASSESSMENT INFORMATION 9

SOIL CONDITIONS - HAZARDOUS WASTE 10

FLOOD HAZARD 10

MINERAL RIGHTS 10

CURRENT EASEMENT AND RESTRICTIONS 10

SCOPE OF WORK 11

NEIGHBORHOOD ANALYSIS 12-17

PROPERTY DESCRIPTION 18-27

HIGHEST AND BEST USE 28-30

METHODS OF APPRAISAL 31

SALES COMPARISON APPROACH 31

COMPARABLE SALES FOR SALE NO. 1 32-49

COMPARABLE SALES MAP 50-51

SUMMARY OF COMPARABLE SALES 52-60

ADJUSTMENT GRID 60

SALES COMPARISON ANALYSIS 61

VALUE CONCLUSIONS - SUBJECT PARCEL NO. 1 61-62

ANALYSIS OF SUBJECT PARCEL NO. 2 63-67

VALUE CONCLUSIONS - SUBJECT PARCEL NO. 2 67

ANALYSIS OF SUBJECT PARCEL NO. 3 68-71

VALUE CONCLUSIONS - SUBJECT PARCEL NO. 3 71-72

RECONCILIATION AND FINAL VALUE CONCLUSIONS 72

ASSUMPTIONS AND LIMITING CONDITIONS 73-74

QUALIFICATIONS R. ARNOLD BUTLER 75-76

QUALIFICATIONS KORI S. SATTERFIELD..... 77

ADDENDUM

 CONTRACT FOR BARGAIN SALE

 AMENDMENT TO THE CONTRACT FOR BARGAIN SALE

 TITLE WORK

 RECORDED DEEDS WITH LEGAL DESCRIPTIONS



PARCEL NO. 1 - VIEW TO THE NORTH OF PARCEL FROM MONUMENT ROAD



PARCEL NO. 1 - VIEW TO THE NORTHWEST



VIEW TO THE WEST FROM EAST BOUNDARY OF PARCEL NO. 1 - JUST NORTH OF MONUMENT ROAD



VIEW TO THE EAST FROM WEST BOUNDARY - PARCEL NO. 1



PARCEL NO. 2 VIEW TO THE SOUTH FROM MONUMENT ROAD



VIEW TO THE WEST FROM PARCEL NO. 2



VIEW TO THE NORTH FROM THE SOUTH BOUNDARY OF PARCEL NO. 2



VIEW TO THE NORTH FROM THE SOUTH BOUNDARY OF PARCEL NO. 3



VIEW TO THE SOUTH FROM MONUMENT ROAD AND THE NORTHERN PORTION
OF PARCEL NO. 3



OVERVIEW OF PARCEL NO. 2 WITH PARCEL NO. 1 IN THE BACKGROUND



OVERVIEW OF PARCEL NO. 3 - VIEW TO THE SOUTH





VIEW TO THE NORTHEAST FROM THE CENTRAL PORTION OF PARCEL NO. 3



VIEW OF THE ARROYO THAT FLOWS THROUGH THE PROPERTY

SUMMARY OF SALIENT FACTS AND IMPORTANT CONCLUSIONS

LOCATION: 2395 Monument Road. It is located on both sides of Monument Road, approximately 1.75 miles southwest of Highway 340 and Monument Road intersection, southwest portion of Grand Junction. The property is adjacent north and west of public lands managed by the BLM and the City of Grand Junction.

LEGAL DESCRIPTION: The property is comprised of three individual parcels, each with an individual legal description. The overall, property is located within:

NE1/2NE1/2 Section 29, Township 1 South, Range 1 West, Ute Meridian, County of Mesa, State of Colorado.

The full legal description is included in the body of this report.

TAX SCHEDULE NO.: 2945-291-00-124 - 1.20 acres
2945-291-00-123 - 8.25 acres
2945-291-00-066 - 38.93 acres

NOTE: The acreages used within this report are based upon the most recent recorded deeds. The deeds relied upon are located in the addendum of this report.

PURPOSE OF APPRAISAL: Estimate Fair Market Value for the potential sale or bargain sale of the subject property.

FUNCTION, CLIENT, USE AND USERS OF APPRAISAL: The function of the appraisal is to provide a credible opinion of market value of the subject property. Mesa County Land Conservancy; DBA Mesa Land Trust, and Ms. Libby Collins are the clients for this assignment. Mesa Land Trust, Great Outdoor Colorado and Doyle and Sandra Files are the intended users. They can use this appraisal for negotiations and the potential bargain sale of the fee simple purchase of the subject property.

OWNERSHIP: Doyle and Sandra Files own the three parcels.

The property has not been listed for sale or sold within the past five years.

SITE DATA:

The subject is comprised of three parcels, located on both sides of Monument Road and adjacent to public lands managed by the BLM.

Parcel No. 1 is located on the north side of the road. It contains 1.20 acres and is a triangular site. Parcel No. 2 is located on the south side of the road. It contains 8.25 acres and is rectangular in shape. Parcel 3 is a 38.93-acre square parcel located east of Parcel Nos. 1 and 2, on both sides of Monument Road.

The property is comprised of dry hillsides. Although the vegetation is sparse, there is some sagebrush, cacti, native grasses and riparian vegetation along the arroyo.

IMPROVEMENTS:

The property is vacant.

HIGHEST AND BEST USE: The Highest and Best Use of the 48.38-acre subject property is as three individual single family house sites, 1.2, 8.25 and 38.93 acres.

PRESENT MARKET VALUE

1.20 acres	- \$ 75,000
8.25 acres - @ \$12,750/ac	- \$105,000
38.93 acres - @ \$6,500/ac	- \$255,000

EFFECTIVE DATE OF VALUE:.... June 1, 2014

EFFECTIVE DATE OF REPORT:... July 10, 2014

CERTIFICATE OF APPRAISAL

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved. In compliance with the Ethics Rule of USPAP, we hereby certify that this appraiser has no current or prospective interest in the subject property or parties involved.
- We have not performed services regarding the subject property within the 3 year period immediately preceding acceptance of the assignment, as an appraiser or any other service.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- We have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the persons signing this certification.
- As of the date of this report, R. Arnold Butler, has completed the continuing education program of the Appraisal Institute and the States of Colorado and Utah.
- As of the date of this report, Kori S. Satterfield, has completed the continuing education program of the State of Colorado.

PRESENT MARKET VALUE

1.20 acres - \$ 75,000
8.25 acres - @ \$12,750/ac - \$105,000
38.93 acres - @ \$6,500/ac - \$255,000

The effective date of this appraisal is June 1, 2014, the date of the most recent inspection. The valuation analysis and conclusions were completed in 2011 through April of 2012, with the final report being completed in July 10, 2014.

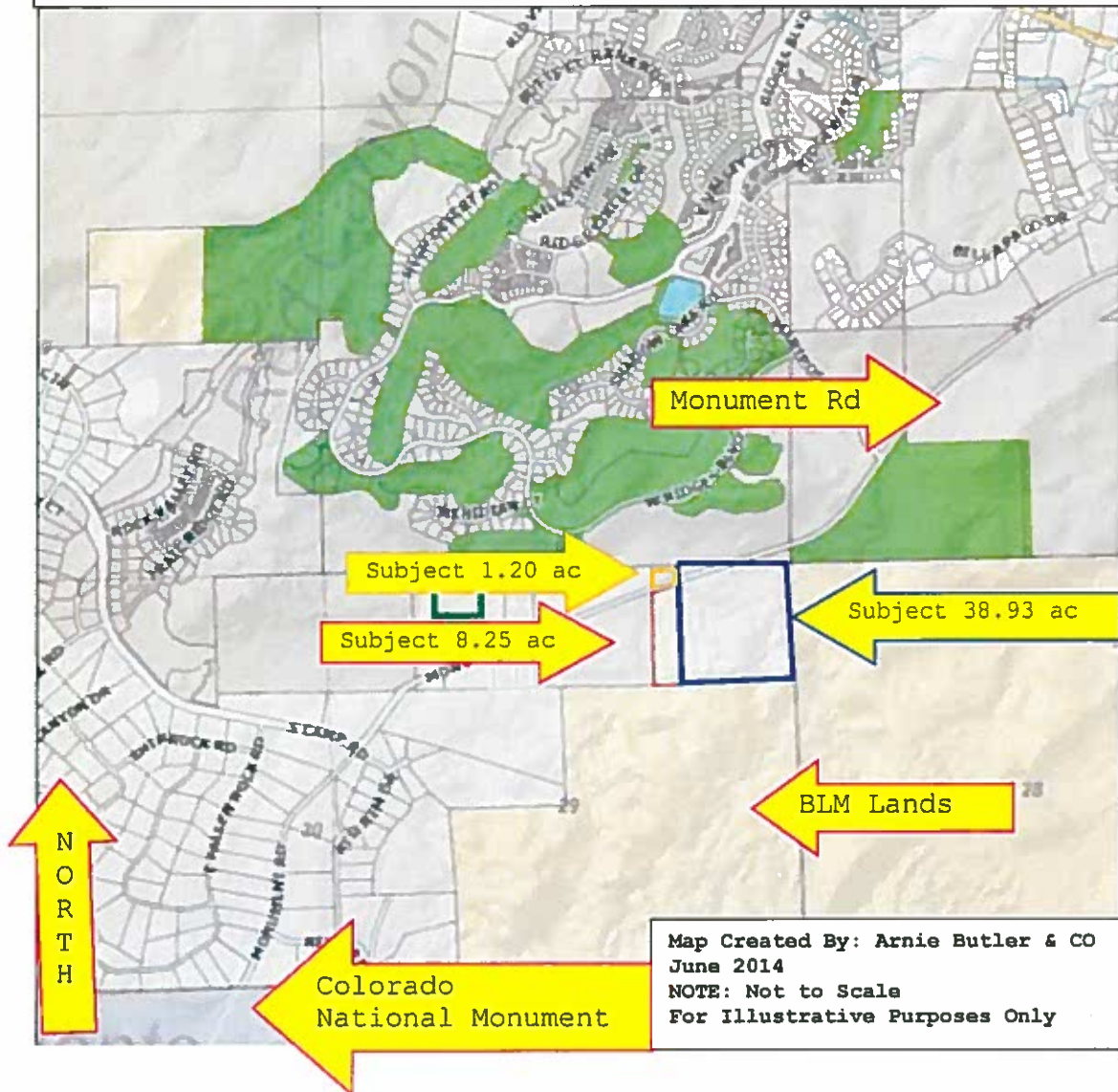


R. Arnold Butler, MAI
Certified General Appraiser
Colorado License No. CG01313160



Kori S. Satterfield
Licensed Appraiser
Colorado License No. 100031881

SITE MAP - Files Property



IDENTIFICATION OF THE PROPERTY

The Files Property contains a total of 48.38 acres of dry, rolling adobe land. The parcel is located on both sides of Monument Road, approximately one mile southwest of the Broadway (Highway 340) and Monument Road intersection, in Mesa County.

LEGAL DESCRIPTION

The subject is legally described as follows:

PARCEL NO. 1 - 2945-291-00-124

A parcel of land being a part of the E1/4 of the NW1/4 of the NE1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado, and considering the West line of the NW1/4 of the NE1/4 of Section 29 to bear North 00°09'54" West and all bearings contained herein being relative thereto,

being more particularly described as follows:

Beginning at the Northeast corner of the E1/4 of said NW1/4, being a Mesa County Surveyor Brass Cap Monument, thence South 00°09'18" East along the East line of said E1/4 a distance of 109.30 feet to the Northerly right-of-way of Monument Road as deeded to the County of Mesa and recorded in Book 968 at Page 869 in the Office of the Mesa County Clerk and Recorder; thence along said right-of-way line South 74°50'42" West a distance of 23.95 feet; thence 320.78 feet along the arc of a curve concave Southerly having a radius of 5759.58 feet, with a central angle of 03°11'28" whose long chord bears South 73°14'58" West 320.73 feet to the West line of said E1/4; thence leaving said Northerly right-of-way and along the West line of said E1/4 North 00°09'27" West a distance of 209.33 feet to the Northwest corner of said E1/4; thence South 89°46'11" East along the North line of said E1/4 a distance of 330.52 feet to the point of beginning.

PARCEL NO. 2 - 2945-291-00-123

A parcel of land being a part of the E1/4 of the NW 1/4 of the NE 1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado and considering the West line of the NW 1/4 of the NE 1/4 of Section 29 to bear North 00°09'54" West and all bearings contained herein being relative thereto, being more particularly described as follows:

Beginning at the SE corner of the E1/4 of said NW1/4 of the NE1/4, being a rebar with 1 1/2" aluminum cap stamped NE 1/16, PELS 5933, South 89°57'23" West along the South line of said E1/4 a distance of 330.46 feet to the SW corner of said E1/4; thence N 00°09'27" West along the West line of said E1/4 a distance of 1035.75 feet to the Southerly right-of-way of Monument Road as deeded to the County of Mesa and recorded in Book 968 at Page 869 in the office of the Mesa County Clerk and Recorder; thence along said right-of-way a distance of 337.17 feet along the arc of a nontangent curve concave Southerly, whence the radius point bears South 18°32'40" East, having a radius of 5699.58 feet and a central angle of 03°23'22", whose long chord bears N 73°09'01" East a distance of 337.11 feet; thence tangent to said curve North 74°50'42" East a distance of 7.87 feet to the East line of said E1/4; thence leaving said Southerly right-of-way South 00°09'18" East a distance of 1135.27 feet to the point of beginning.

PARCEL NO. 3 - 2945-291-00-066

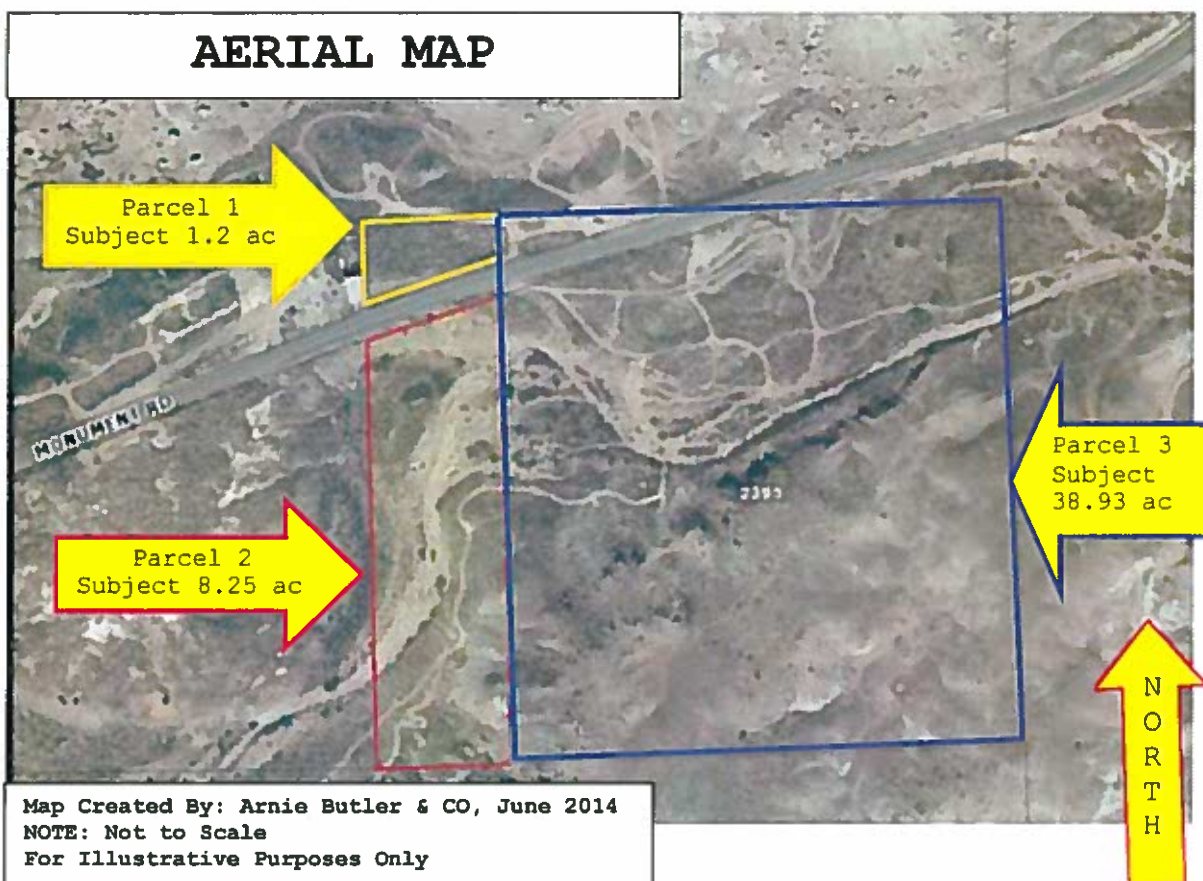
The NE1/4 NE1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian; EXCEPT tract conveyed to County of Mesa by instrument recorded October 1, 1971 in Book 964 at Page 653 for road purposes.

PURPOSE OF APPRAISAL

The purpose of this appraisal is to estimate the present fair market value for the subject property for the potential sale/trade of the property to Mesa Land Trust. "Market Value" is defined by as:

"The most probable price, as of a specific date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress."
(SOURCE: The Appraisal of Real Estate. Page 23)

The above definition and this appraisal are made specifically based on a market value estimate that is cash or terms equivalent to cash.



DATE OF VALUE

The effective date of this appraisal is June 1, 2014, the date of the most recent inspection. The valuation analysis was completed in February and March of 2014 when a restricted use appraisal was completed, and then again in June of 2014, with the final report being completed on July 10, 2014.

CLIENT, USE AND USER OF THE APPRAISAL

The function of the appraisal is to provide a credible opinion of the market value of the subject property. Ms. Libby Collins and Mesa Land Trust are the clients of this appraisal. Ms. Collins, Mesa Land Trust, Great Outdoors Colorado (GOCO) and Files Family are the intended users. They may use this appraisal for the sale/purchase of the property from the Files family. As required by the GOCO appraisal guidelines for a Fee Title Acquisition:

For the purchase and sale of a fee title interest in the subject property, using public funds through the Great Outdoors Colorado Trust Fund.

PROPERTY RIGHTS APPRAISED

This appraisal assumes that the subject ownership includes all rights that may be lawfully owned and title, therefore, is held in "fee simple," however, the mineral rights have been severed from the property. The fee simple estate is appraised. The fee simple estate is defined as:

"Absolute ownership unencumbered by any other interest or estate; subject only to the limitations imposed by governmental powers of taxation, eminent domain, police power, and escheat." Source: The Dictionary of Real Estate Appraisal, Fifth Edition (Appraisal Institute)

OWNERSHIP AND HISTORY OF THE PROPERTY

Doyle and Sandra Files own the property.

The 1.20-acre parcel was transferred from Gene and Faye Files on November 29, 2001 to Doyle and Sandra Files as recorded in Mesa County Records, Reception No. 2028153. It was not an arms-length transaction.

The 8.25-acre parcel was transferred from Faye and Gene Files to Doyle and Sandra Files in 2003, as recorded in Mesa County Records, Reception No. 2096616. This was not an arms-length transaction.

The 38.93-acre parcel was purchased by Doyle and Sandra Files on October 30, 1992 for \$9,000 from Ridges Venture, as recorded in Mesa County Records, Reception No. 1610959.

The property is currently under contract to sell to Mesa Land Trust. This is been a negotiated deal that required some negotiations. The purchase price has been negotiated to \$380,000, which is below the established market value. This transaction is considered a bargain sale. The final signed contract is located in the addendum of this report, however an excerpt about Purchase price is copied from the deed and pasted below:

3. **PURCHASE PRICE; ADJUSTMENTS; APPRAISALS.** The Purchase Price for the Property shall be (a) Three Hundred Eighty Thousand and No/100s (\$380,000.00) (the "Purchase Price"), subject to the Purchaser's appraisal contingency described in Paragraph 3.1. At Closing, Purchaser shall pay the Purchase Price to the Seller in certified funds, or by wire transfer of federal or other immediately available funds.

3.1. **Appraisal.** The estimated fair market value of the Property shall be determined by an appraisal ("Appraised Value") to be completed prior to the end of the Inspection Period described herein (the "Property Appraisal"), which Property Appraisal must be approved by the Purchaser in its discretion. The Purchaser's obligation to purchase the Property is

contingent upon the Property Appraisal determining that the Appraised Value of the Property is at least equal to the Purchase Price. At the time of Closing Seller shall reimburse to Purchaser the costs of the Property Appraisal; if Closing does not occur then the Purchaser shall be responsible for payment of cost of the Property Appraisal.

- 3.2. Bargain Sale if Appraised Value Exceeds Purchase Price. If the Appraised Value of the Property is greater than \$380,000, then Seller agrees that the Purchase Price shall be the bargain sale price of \$380,000. In such event, Purchaser acknowledges that it is Seller's intention to effectuate a "bargain sale" of the Property, i.e., a sale to a charitable organization at a price below fair market value wherein the difference is considered a charitable contribution under applicable sections of the Internal Revenue Code. Seller acknowledges that the substantiation of a charitable contribution deduction rests exclusively with Seller except for Purchaser's execution of an accurately, properly and fully prepared Internal Revenue Service Form 8283 which has been signed by Seller and Seller's appraiser, which contains a complete description of the property donated and the value of such donated property and which recites any consideration, goods or services which were received by Seller, including any quid pro quo, from any person or entity for or as a result the sale of the Property.

The difference between the appraised fair market value of the subject property and bargain sales price will be a charitable contribution donated to Mesa County Land Conservancy.

The contract was signed July 9, 2012 by Doyle and Sandra Files and Max Stites, president of Board of Mesa Land Trust.

Other than the items stated above, the subject property has not been listed for sale, under contract or sold within the past five years. The property has historically been used for recreational purposes.

TAX AND ASSESSMENT INFORMATION

The subject is currently filed under three tax schedule numbers by the Mesa County Assessor's Office. "Actual" value, Assessed Value and Overall Taxes are illustrated below:

Parcel No.	Actual Value	Assessed Value	Mill Levy	Taxes
2945-291-00-066	\$224,000	\$64,690	0.058684	\$3,812.11
2945-291-00-123	\$140,250	\$40,670	0.063588	\$2,586.12
2945-291-00-124	\$2,500	\$730	0.063588	\$ 46.42
				\$6,444.65

The property is valued as vacant land and is assessed at 29% of the estimated land value. This is based on the current use of the property and not the actual Highest and Best Use. The estimated 2014 mill levy is based on the actual 2013 rate, thus the overall tax for the subject property is \$6,444.65.

SOIL CONDITIONS - HAZARDOUS WASTE

The appraisers are not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, petroleum, contaminants, or other potentially hazardous materials may affect the value of the property. A soils report has not been provided. The property consists of dry adobe land that has minimal vegetation. There could be, and appears to have been some in the past, minor sloughing. Development of these areas could require additional engineering during development. This observation is based on the appraiser's inspection and not a professional engineer's opinion or analysis. No responsibility is assumed for any such conditions, or for any expertise, or engineering knowledge to discover them. A soils report is recommended by a qualified soils engineer.

Several residential subdivisions have been constructed on similar lands within the area and adjacent to the subject.

FLOOD HAZARD

According to the Mesa County GIS Flood Plain Mapping and FEMA map FIRM Panel Index 08077C0812F Zone X, the subject is located within, areas determined to be outside the 500-year floodplain. However, the No Thoroughfare Canyon and arroyo extends through the subject property. These areas may be prone to seasonal or temporary flooding.

MINERAL RIGHTS

The mineral rights have been severed from the subject. Analysis of the comparable sales indicates that severed mineral rights are typical for properties within the subject neighborhood. There does not appear to be any current or historic mineral development with the subject neighborhood. No attempt is made to value the mineral rights separately from the land, which would require analyses by mineral engineers and legal experts. This type of analyses is beyond the scope of this appraisal.

CURRENT EASEMENTS AND RESTRICTIONS

Most of the easements currently encumbering the property are in connection to road easements and utilities. These encumbrances are similar to the other comparable properties. Based on the inspection of the property, these easements have minimal effect on the subject. The title report stating all the encumbrances, easements and restrictions is within the addendum of this report.

SCOPE OF WORK

This appraisal and report conform to the appraisal guidelines of:

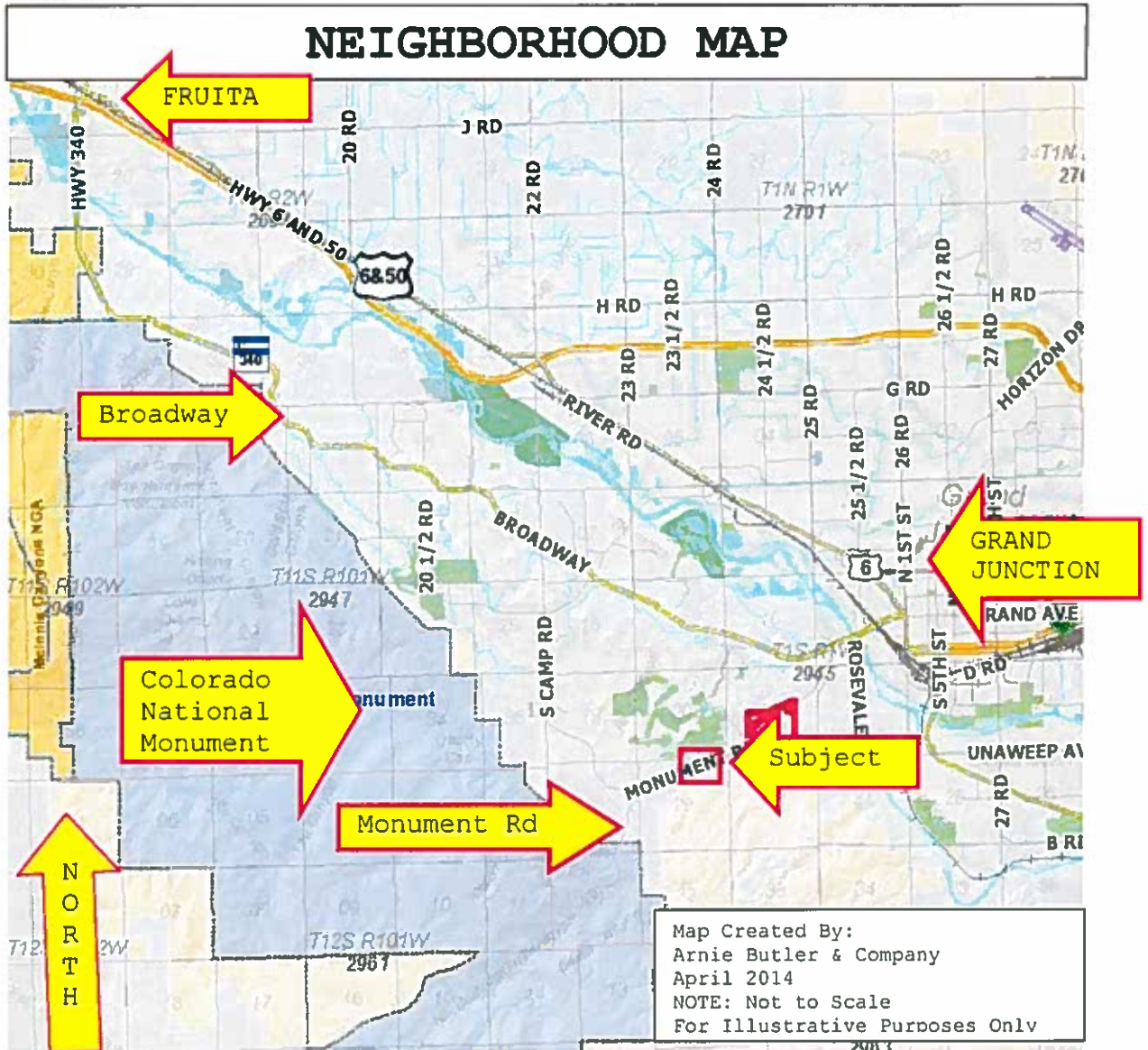
- o Uniform Standards of Professional Appraisal Practice (USPAP)
- o Code of Professional Ethics and Standards of Professional Practices of the Appraisal Instituted
- o And Great Outdoors Colorado

The Cost, Sales Comparison and Income Approaches were considered in the appraisal of the subject parcels. This appraisal consists of valuing the land, based on its Highest and Best Use. There are no improvements on the property; therefore, the Cost Approach is not used. The Income Approach was not incorporated into a value indication because this type of property is not normally sold based on its potential income production. Thus, the Sales Comparison Approach was deemed the most appropriate method for valuing the subject. This process involved researching and confirming the sales and listings of properties similar to the subject.

The market data used in the analysis of the subject includes the examination and analysis of the local economy and conditions of the real estate market within the subject neighborhood. The Highest and Best Use analysis of the subject property included various components, including a local and neighborhood market analysis, supply and demand and sale prices of comparable properties.

The information that was acquired for the use in the market data and the Highest and Best Use analysis was obtained from county records, other appraisers, real estate brokers, local land trusts and available public data.

This appraisal is specifically subject to the Certification, Assumptions and Limiting Conditions provided within this report. If there are any other unusual assumptions or conditions, they will be noted throughout the report.



NEIGHBORHOOD ANALYSIS

The subject property is located along Monument Road, southwest of downtown Grand Junction. It is surrounded by residential development and recreational parcels. The subject is within the Redlands neighborhood located west of downtown Grand Junction, and east of the Colorado National Monument.

The subject neighborhood is bound by the Colorado River to the east, public land managed by the Bureau of Land Management to the south and the Colorado National Monument to the west. The neighborhood extends from northwest to southeast approximately eight miles and is approximately three miles wide. Generally, the neighborhood is comprised of all the land located south of the Colorado River, between Fruita and Grand Junction.

Access to and through the neighborhood is provided by Monument Road and Broadway (Highway 340). Broadway extends from downtown Grand Junction, west-northwest, through the neighborhood east of the Colorado National Monument to the town of Fruita. Monument Road intersects Broadway approximately one-quarter mile west of downtown Grand Junction, then along the east boundary of the National Monument and reconnects with Broadway approximately one mile south of Fruita. Both Broadway and Monument Roads are two lane paved roads that are maintained by the City and County year round. These two roads are the main thoroughfares through the neighborhood. Smaller county and neighborhood roads extend from both Monument Road and Broadway. Rimrock Drive, the road that extends through the Colorado National Monument, extends north from Monument Road and intersects with Broadway, approximately three miles south of Fruita.

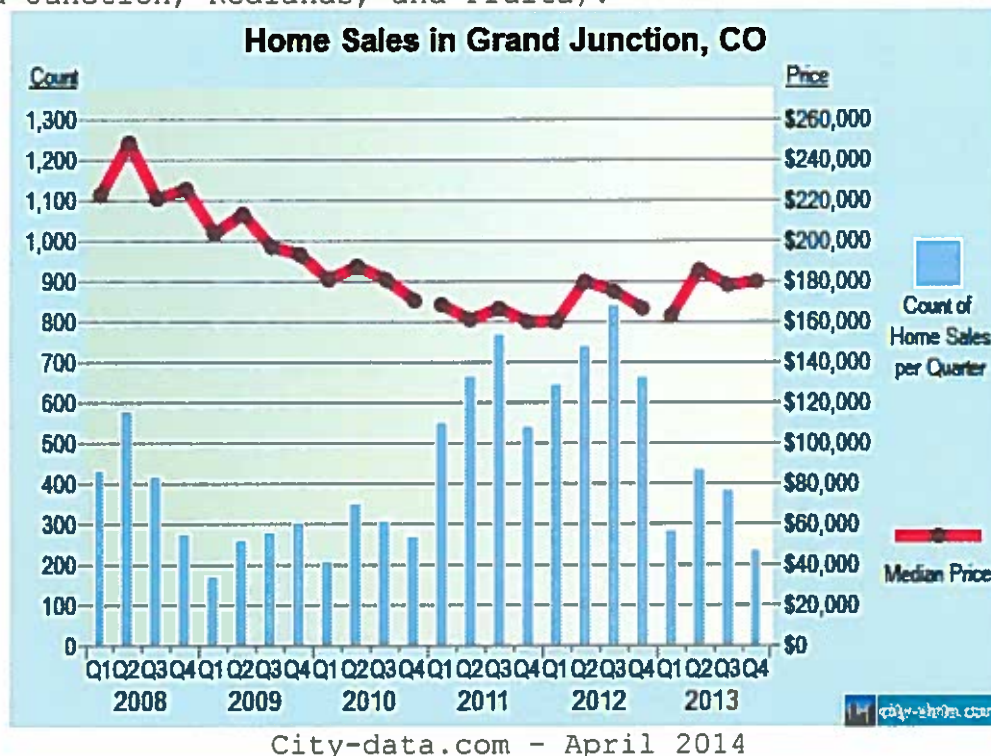
The Redlands neighborhood is primarily a satellite residential area to the City of Grand Junction. This area maintains a large amount of open space for recreational purposes. Subdivision development ranges from small house sites to larger executive residential parcels, with several parcels taking advantage of their adjacency to public lands and recreational opportunities.

Economic trends within the neighborhood were progressing at a rapid rate from 2005 through June of 2008. Although the national economy declined July of 2007, the local economy continued to progress due to the energy industry and the demand for commercial and residential development. In 2008, the effects of the national economy and the exodus of the oil and gas industries in the surrounding areas changed the economic outlook and real estate trends for the entire area. There were very few sales, long marketing times, and a high number of foreclosures in 2009.

In 2010 the volume of sales increased; however, the sales prices were well below the previously experienced high prices, illustrating a descending trend. Primarily residential development has occurred from Monument Road, located in the southern portion of the neighborhood, to the Colorado River which caps the north end. Residential development ranges from older low-end single family developments to newer, high end subdivisions. Due to the local economy there are no new developments taking place at this time.

Because of the topography, the developments are scattered throughout the Redlands area, many of the developments back to open space or undevelopable land. Overall, the private land within the neighborhood is approximately fifty-percent built-out.

The trends for residential sales are illustrated in the sales chart below. This chart represents the home sales located within Grand Junction, although the subject neighborhood includes land in and outside the Grand Junction City limits. This chart illustrates the overall market within area, and the following chart illustrates the market within the subject neighborhood and surrounding comparable neighborhoods (west Grand Junction, Redlands, and Fruita).



The chart above exhibits the overall market for the subject neighborhood and City of Grand Junction over the past five years

The chart illustrates that the median price for house sites in Grand Junction peaked in the second quarter of 2008. Since that time, the annual average price declined with the lowest average sales price in 2011. The average price increased slightly in 2012, and continued to increase in 2013, however the prices paid are well below the prices experienced in 2008 at the peak of the market.

The highest median price for home sales was in the second quarter of 2008, however the number of transactions was below 600 transactions. The number of transaction remained under 600 sales until the second quarter of 2011. The fewest number of transactions occurred in the first quarter of 2009, and since there has been an annual increase in the number of transactions through 2012. Then the number of sales significantly decreased in the 2013 again.

Additional market information was provided by the local MLS service. This analysis included all residential vacant lot sales within the Redlands neighborhood that sold through the MLS. These sales represent the demand within the neighborhood and surrounding comparable neighborhoods. There have been 50 transactions, with the average length on the market 188 days and average sales price \$126,793. This is illustrated below:

Year of Analysis	# of Sales	Avg Sales Price	DOM
2010	No documented sales	\$	+++
2011	11	\$112,355	264
2012	14	\$116,536	204
2013	16	\$146,500	148
2014 (Thru 6/1/14)	9 thru 6/1/14, 18 Projected thru year	\$125,361	142

The chart above indicates that there were no documented sales that transpired through the MLS within the Redlands neighborhood in 2010. Then in 2011 there were 11 transaction, with an average sales price of \$112,355 and an Average DOM of 264 days. The number of transaction increased in 2012 and 2013, and is projected to be approximately 18 sales in 2014. Along with the number of sales increasing during this time period, the average sales price also increased, until 2014 where there appears that the average price has decreased by nearly \$20,000 per transaction. Additionally, the average Days On the Market in 2011 was 264 and since that time the average listing time has decreased annually, with the average in 2014 of 142 days. With both increasing average sales prices and fewer days on the market, this indicates that the market is beginning to improve within the subject neighborhood.

The improvement in the housing market is affected by the decrease in the unemployment rates. The chart below illustrates the unemployment rate over the past 12 years within Mesa County.

Click and drag in the plot area or select dates: 1yr | 5yr | 10yr | Max

2008-01-01

to

2014-04-01



The lowest unemployment levels within Mesa County occurred prior to 2010, with an average level of approximately 4%. Then in 2010, the rate jumped significantly, increasing on average above 9%. The unemployment rate remained above 9% through 2011, and some quarter of 2012. The average annual unemployment rate was at its highest in 2010, with a slight decrease in 2011. Since 2011, it has steadily been declining, with the first quarter of 2014 indicates an average of approximately 7.5%. This is still significantly higher than experienced in 2009 and before, but is below the peak in 2010. And based upon the data, it appears to be continuing to decline overall.

In summary, the subject neighborhood and the City of Grand Junction were in a progressive market with low unemployment levels and rising house prices through the second quarter of 2008. In 2009 and 2010 the housing market continued to decline and the unemployment levels increased significantly. Starting in 2011 and continuing into 2012, the real estate market and the unemployment levels stabilized, and the overall economy started to improve.

Several physical features within the subject neighborhood have made the area popular for recreationalists and developers. The Colorado National Monument comprises the west boundary of the neighborhood. This historic and scenic area provides for numerous recreational and educational opportunities. Activities include hiking, road and mountain biking, rock climbing, camping, and photography of wildlife and scenery. There are also historic Native American sites, with artifacts and petroglyphs located throughout the Monument. This area is highly visited by both tourists, schools, and the local outdoor community.

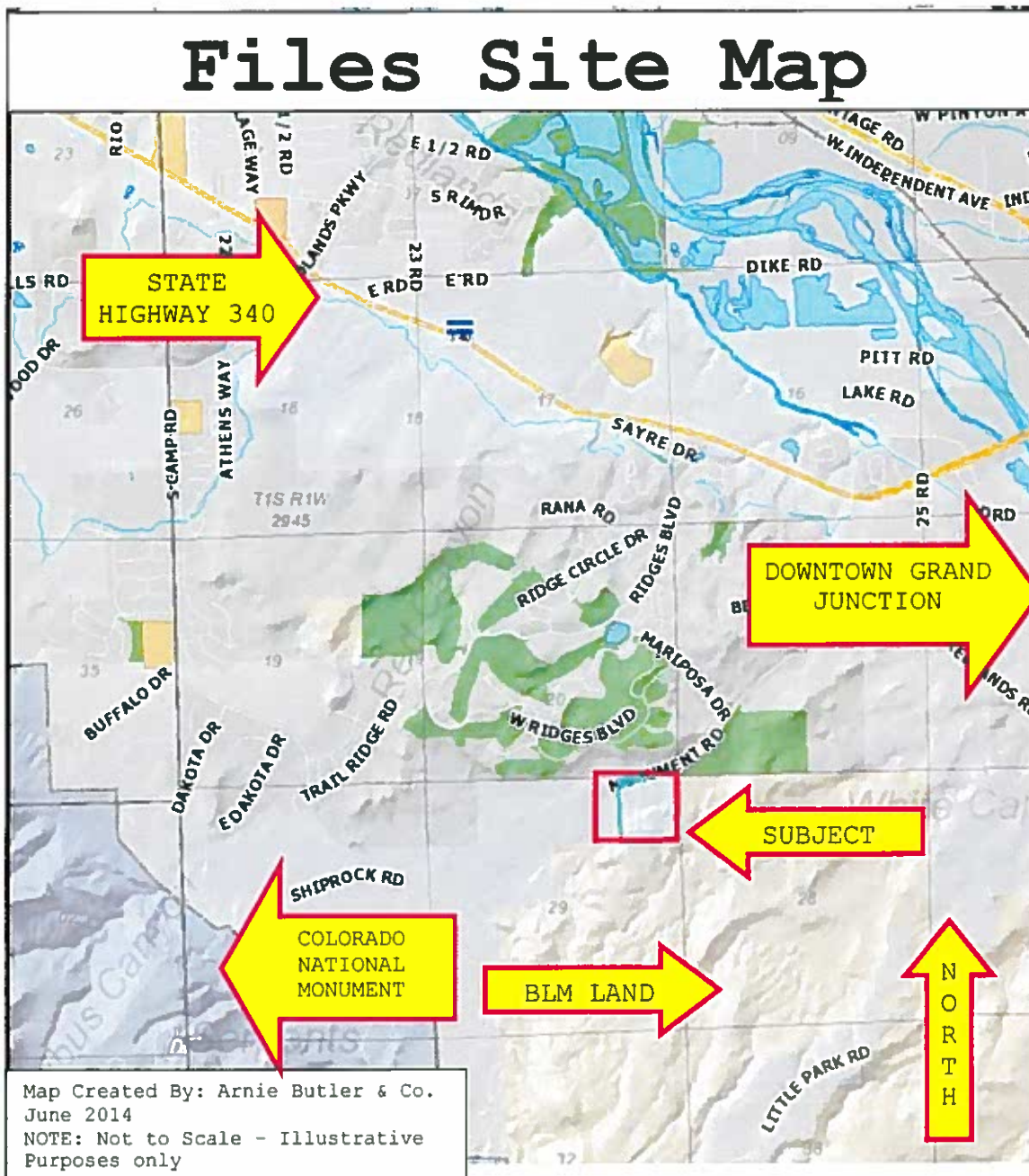
Adjacent west of the subject, is a parcel owned by the City of Grand Junction. This parcel is known as the "Lunch Loop" and it provides various hiking and mountain bike trails. These trails extend southwest and into public lands managed by the BLM, in an area known as Bangs Canyon RMA. The trails range from gentle family hiking trails to expert mountain bike trails that require advanced skill.

As described above, the subject neighborhood has had development trends similar to Grand Junction and western Colorado. However, due to the unique recreational opportunities within the subject neighborhood and the previous successful high-end developments, including Redlands Mesa Golf Course and executive homes, it is anticipated that as the market improves the demand within the subject neighborhood will increase. The developments within the neighborhood will remain consistent with the previous high-end subdivision trends.

Furthermore, due to the large percentage of public lands, and previous development within the subject neighborhood, the amount of available developable land is minimal with the neighborhood appearing to be approximately 50% built-out. Thus, with an increase in demand and the lack of available large developable tracts limiting supply, as the economic trends improve the subject neighborhood will experience positive development trends.

In conclusion, the subject property is located in a unique residential and recreational neighborhood located just west of downtown Grand Junction and southeast of Fruita that was previously in high demand. Due to the high percentage of recreational land and close proximity to the City of Grand Junction, it is anticipated that this area will be in demand for residential development, although not at levels experienced before 2008. However, as supply is reduced and demand increases, this neighborhood is showing signs of improvements as more properties sell, while being listed for shorter lengths of time, and an increase in average sales price.

Files Site Map



PROPERTY DESCRIPTION

Location and Access

The subject has a street address of 2395 Monument Road. This places the property one mile southwest of the Monument Road and Broadway Avenue intersection, approximately 2.5 miles west of Downtown Grand Junction, and 1.5 miles east of the Colorado National Monument, in Mesa County.

Monument Road extends from Broadway Avenue southwest to public lands managed by the Colorado National Monument, where it becomes Rim Rock Drive, looping northwesterly through the Colorado

National Monument and intersecting with Broadway again approximately two miles south of the City of Fruita. It is a two-lane paved road that is maintained by the City of Grand Junction and Mesa County.

Broadway Avenue, also known as Highway 340, extends west-northwest from the I-70 business loop, through the Redlands neighborhood and then intersects with Interstate No. 70 at Fruita.

Parcel No. 1 is in the northwest quadrant of the subject larger parcel and is located north of Monument Road. Parcel No. 2 comprises the west boundary of the subject and is entirely south of Monument Road. Parcel No. 3 is the eastern two-thirds of the subject ownership and is located both north and south of Monument Road. The northwest portion of this parcel has limited functional utility due to the size and shape.

The subject has Monument Road frontage on both sides of the road. All three parcels have direct legal and physical access from Monument Road.

The parcel is adjacent north, south and west of public lands managed by the BLM and the City of Grand Junction. These parcels are used for recreational purposes and include public trails for mountain biking, hiking and trail running.

Overall, the subject property is located in-line with residential development and adjacent to public recreational land. The access and location of the property is appropriate for a mixture of residential development and recreational uses.

Size and Shape

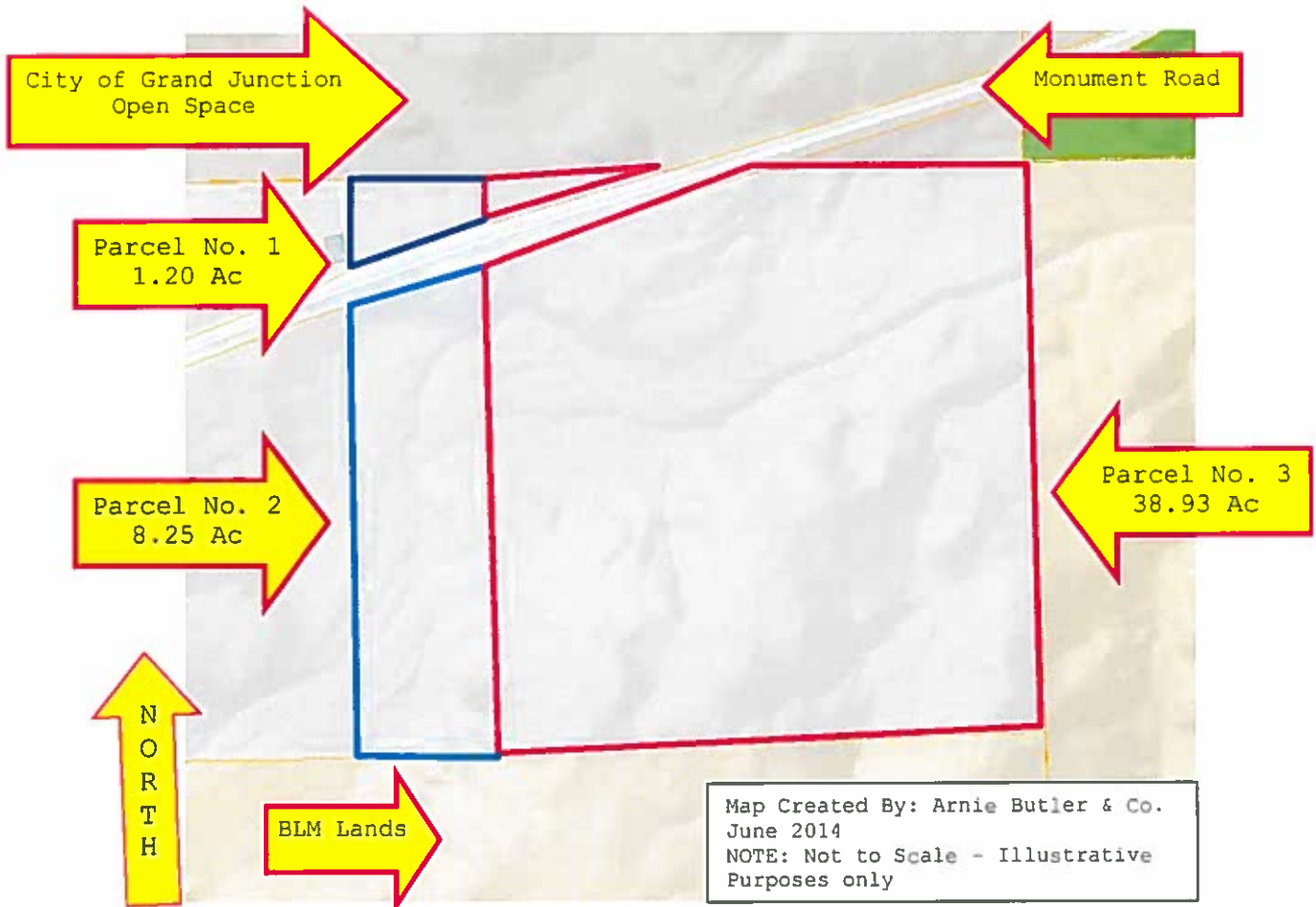
The subject ownership contains 48.38 acres and is rectangular in shape. Monument Road extends northeast/southwest through the northwest corner of the property. The property extends north to south approximately one-quarter mile and from west to east approximately one-third of a mile.

The sized used within this analysis are based upon the most recently recorded Deeds and legal descriptions. The deeds relied upon are located within the addendum of this report.

The majority of the subject ownership is located on the south side of Monument Road, although there are approximately 2 acres located on the north side of the road. The individual parcels are further described below:

Parcel No. 1 contains 1.20 acres and is triangular shaped. It is located north of Monument Road and adjacent east of a small parcel that has been developed residentially. The south boundary abuts Monument Road for approximately 350 feet.

Parcel No. 2 is located south of Monument Road and is rectangular in shape. This parcel contains 8.25 acres, with approximately 350 feet of Monument Road frontage along the north boundary and public land frontage along the south boundary. The east and west boundaries extend approximately 1,100+/- feet from north to south.



Parcel No. 3 is a square parcel with Monument Road bisecting the northwest corner. Overall, this parcel extends one-quarter mile from west to east and one-quarter mile from north to south. The northwest corner of the parcel, north of Monument Road, contains approximately one-half acre. The land south of Monument Road contains 38.43 acres. The north boundary is adjacent to the City of Grand Junction open space and the east and south boundaries abut BLM lands.

Zoning

The subject is currently zoned RSF-4 by Mesa County. Mesa County Land Development Code states the following:

4.2.5 | RSF-4, Residential-Single-Family District

The RSF-4, Residential-Single-Family District is primarily intended to accommodate medium-density, single-family residential development, and to provide land use protection for areas that develop in such a manner. It corresponds to and implements the Mesa County Master Plan's "Residential/Medium-Low," "Residential/Medium," and "Loma Residential Medium-Low to Medium-High" future land use classifications.

Overall, the zoning allows medium to low residential development of four single family home sites per one acre. Based on the location, the property will be re-annexed into the City of Grand Junction for any development to occur. The City of Grand Junction's future land use code indicates the potential development of the property into 5 to 10-acre house sites. Although the zoning indicates a medium density development and the future land use indicates a lower density development, the overall allowable use is residential development. At this time, the exact potential development is unknown and would be determined when proceeding through the development process. Any development would take into account the topography and potential extension of utilities.

GOOGLE MAP – VIEW TO THE WEST



GOOGLE MAP - VIEW TO THE EAST



GOOGLE MAP - VIEW TO THE SOUTH

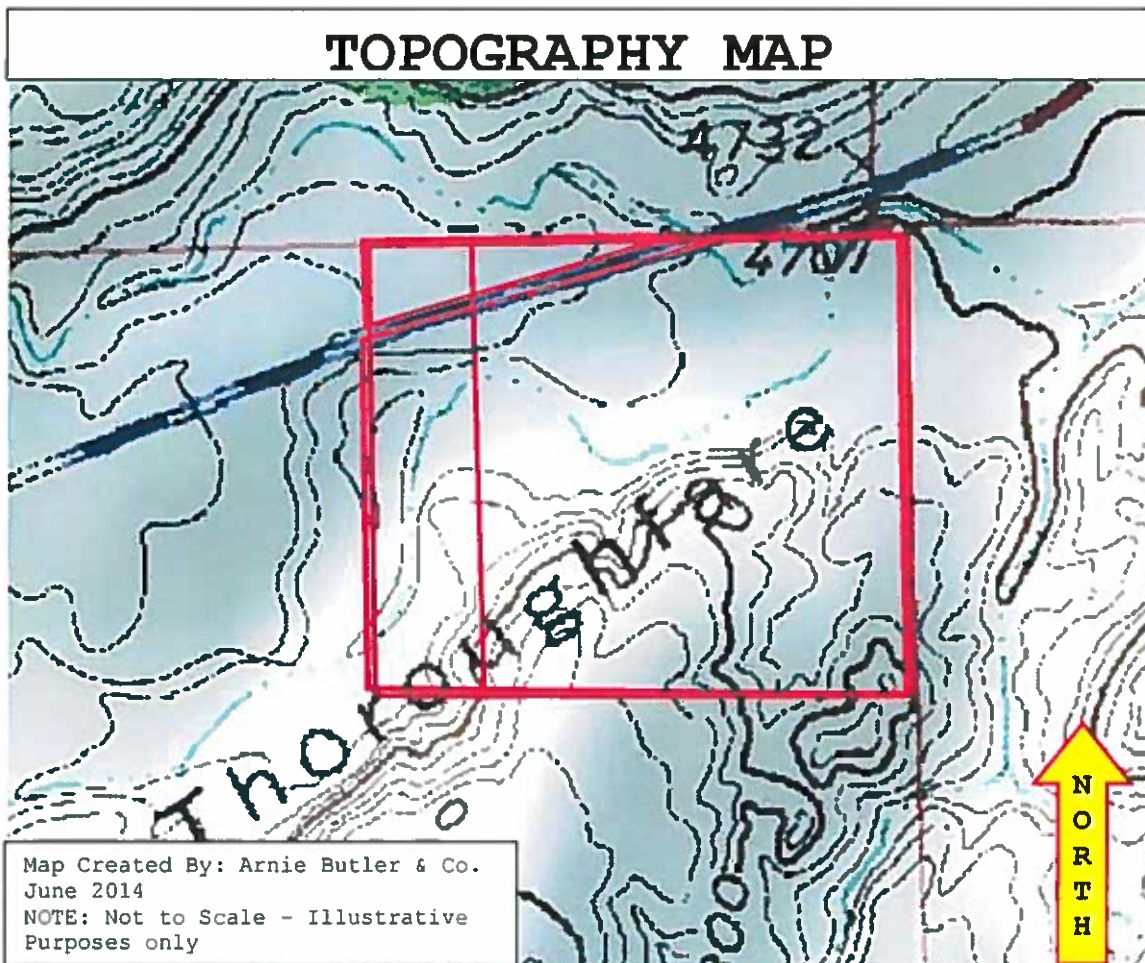


Water Rights

There are no known water rights associated with the subject property. There are no irrigated acres or areas dependant on irrigation water. There are intermittent natural drainages located throughout the property. These drainages do not provide consistent water to the subject or surrounding properties.

Topography

The property is part of the No Thoroughfare Canyon that extends northeasterly from the Colorado National Monument. It is comprised of generally flat land to rolling hills and steep hillsides. The overall slope of the property is downward from south to north. The lowest portion of the subject ownership is approximately 4,700 feet Above Sea Level (ASL) along the drainage bottom that extends just south of Monument Road. The south boundary, along the rim of a hill has the highest elevation, of approximately 4,850 feet ASL. An intermittent drainage flows northwesterly through the property, south of Monument Road and north of the bluff. It does not consistently flow and is prone to flash flooding.



Parcel No. 1 is generally flat, with a gentle slope downward from west to east. The average elevation of the property is 4,750 feet ASL.

Parcel No. 2 contains three distinct areas. The southeast corner of the parcel is comprised of the face of the bluff. The central portion of the property along the eastern boundary is small rolling hills, and the west boundary and northern portion is generally flat with a gentle downward slope to the north. The highest point on this parcel is the southeast corner, on the hillside at approximately 4,800 feet ASL. The intermittent drainage enters the property just north of the southwest corner, and then meanders northeasterly through the property.

The topography of Parcel No. 3 is diverse as well, with a bluff that extends into the central portion of the subject from the south boundary. The top of the bluff gently slopes downward from south to north, decreasing in elevation from 4,850 to 4,800 feet ASL. The bluff face decreases in elevation from 4,800 feet to 4,700 feet. The land north of the bluff is comprised of a gently rolling landscape, with no significant changes in elevation. The drainage flows northeasterly through the north portion of this parcel, south of Monument Road.



The rolling adobe hills are covered in sagebrush, cacti and native grasses. There are rock escarpments throughout the property. A variety of lizards, snakes, rabbits, and other desert creatures live on the property. Coyotes and deer migrate through the property.

Overall, the subject is comprised of rolling adobe and dry hills of No Thoroughfare Canyon just outside the gates of the Colorado National Monument. The property is sandwiched between public lands managed by Grand Junction and the BLM.



Map Created By:
Arnie Butler & Company
April 2012
NOTE: Not to Scale

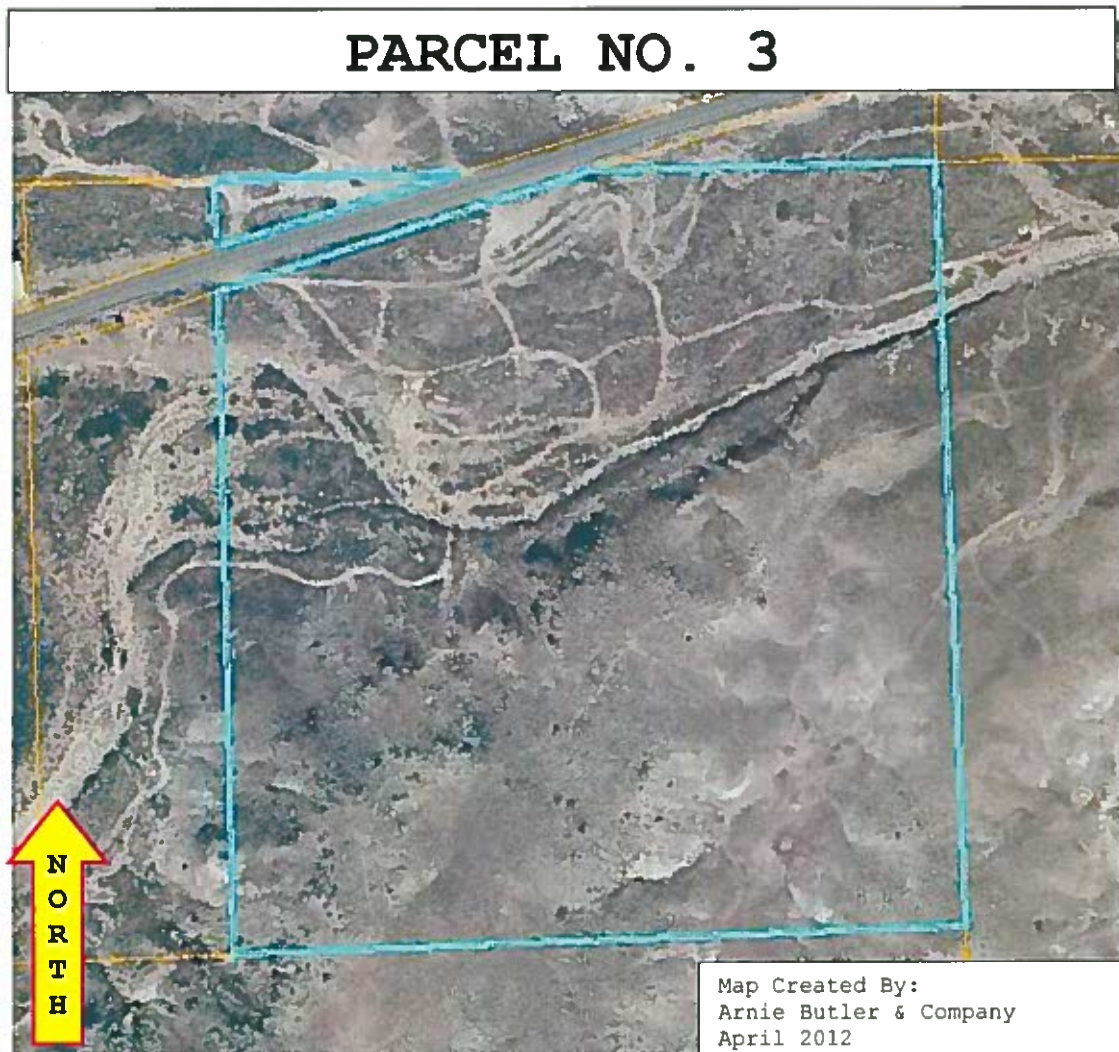
Site Improvements

The property is vacant. There are no residential or agricultural improvements.

Utilities

The property was previously annexed into the City of Grand Junction, however, in September of 2003 the property was "De-annexed" from the city. Thus, it was removed from the Persigo 201 Boundary, and sewer is not available to the property. The subject, in its current state as three individual parcels, does not require extension of water or sewer. Cistern and septic sewer is possible and typical within the neighborhood. Any further development will require re-annexation into the City of Grand Junction and the extension of domestic water and sanitary sewer.

Fire protection is provided by the Redlands Subdivision and Grand Junction Rural Fire Protection Districts. Police protection and ambulance service is provided by the City of Grand Junction and Mesa County.



Views

The higher elevations on the subject property, due to the location, elevation and adjacent public lands, has uninterrupted views of most of the Grand Valley, including the Grand Mesa, Colorado National Monument and Bookcliff Range.

Conclusion

In conclusion, the subject property is comprised of three individual parcels totaling 48.38 acres of dry, native hillside. The property is located on both sides of Monument Road, which provides good access. Water and sewer have been extended to within one-half mile of the subject property. The elevation along with adjacency to public lands provides for uninterrupted views in all directions.

HIGHEST AND BEST USE ANALYSIS

Real estate is defined in terms of its Highest and Best Use and can be defined as:

"The reasonably probable and legal use that will support the highest present value of the property, as defined, as of the effective date of the appraisal. Alternatively, it is that use, from among reasonably probable or legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in the highest land value." Source: The Dictionary of Real Estate Appraisal.

The subject property is located southwest of Grand Junction, in the Redlands neighborhood. This area is comprised of residential and recreational parcels, with sporadic larger parcels including farms, vineyards, golf courses and dry development land.

The most recent large scale residential development occurred between 2005 and 2008. Then in 2008/2009, similar to the local economy, the neighborhood was affected by the severe downturn in the national economy. The number of sales decreased significantly and newer residential subdivisions remain vacant.

The subject is comprised of three individual parcels totaling 48.38 acres. The property is further analyzed below:

Legally Permissible

The subject parcels are legal individual parcels containing 1.2, 8.25 and 38.93 acres. These parcels can be sold individually without any further county approvals or development requirements.

The property is zoned by Mesa County as RSF-4 or a potential of four house sites per 1 acre. This would be a legal development of the property, but would require annexation into the City of Grand Junction. In 2003, the property was de-annexed from the City of Grand Junction and according to the City Planning Department, the subject would be required to proceed through the entire annexation process. Legally, all three parcels could potentially be subdivided into small house sites.

The City of Grand Junction's Future Land Use Code indicates larger, 2-5 acre residential sites. Because an application has not been submitted, the highest legal potential development for the subject parcel is unknown. However, it is concluded that residential development is a legally permissible use of the property.

Legal uses of the property include the current use as a recreational parcels used in conjunction with the surrounding public lands.

Physically Possible

The subject property is comprised of rolling hills. The property contains enough level or gently rolling hills to be developed with some residential improvements. Utilities are extended along Monument Road, but are not extended to the property. Access is sufficient for residential development of the three individual parcels, however if the parcels were to be further developed into smaller house sites then improved physical access from Monument Road would be required.

Additionally, the arroyo extends through the northern portion of Parcel Nos. 2 and 3. Any potential development would require improved access over the drainage and structures placed outside of the potential floodway, which has not yet been designated.

The property has been used for recreational uses, including hiking, biking and trail running. This is a legal and physically permissible use of the property as well.

Financially Feasible

The subject property is comprised of three individual parcels comprised of native landscape. The property can legally and physically be developed into a variety of uses, including residential subdivision, mixed use development, or the sale of the three individual house sites.

There are no water rights and limited natural drainages that could provide enough water for agricultural uses. Thus, an agricultural use is not functional or financially feasible at this time.

The subject contains enough land to be developed into medium density residential development. Thus, this is a legally and physically permissible development. Over the past five years there has been limited demand for residential development, and there continues to be a large supply of single family home sites ranging in size from 0.25 to 5 acres. The average time on the market for residential home sites continues to be longer than one year. Thus, developing the property into smaller house sites add numerous sites to an already saturated and over supplied market. This will extend the marketing time, and reduce the overall prices paid, and thus development of the property into smaller house sites is not financially feasible.

The property is currently vacant and used as recreational land. This provides for no return on investment, and this is not a financially feasible use of the property.

The property is currently three legal house sites, 1.2, 8.25, and 38.93 acres individually. These three parcels can be sold separately as individual house sites. Selling the property as three house sites would not saturate the market, as the three sites vary enough in size that they will not compete with each other and over supply the market. All three have good legal and physical access from Monument Road, and electricity and telephone are available. Cistern and septic would be required for any development, but this is typical of the neighborhood and does not negatively affect the value of the individual parcels. Based upon the parcel sizes, the location on both sides of Monument Road, and the other physical characteristics of the subject parcels, it is concluded that it is financially feasible to sell the property as three individual house sites.

Additionally, selling the subject property as one 48.38-acre recreational house site requires no development or county approvals, and is considered a financially feasible use of the property.

Maximum Productivity

This is similar to financial feasibility. It is legally and physically possible to develop the property into a higher density subdivision. The current market conditions and oversupply of developed home sites indicated that it is not financially feasible or maximally productive to develop the property into a medium density residential development at this time.

Marketing the property as three individual house sites will not saturate the market, as the 3 parcels vary in size and physical conditions that they do not compete with each other. Selling the three individual sites will provide a higher return on investment than selling the property as one 48.38 acre non-contiguous house site due to the size, shape and lack of agricultural uses.

Conclusion

The property contains a total of 48.38 acres, and is comprised of three individual parcels. The individual parcels command a higher value than the property as one parcel as a potential development parcel comprised of the three parcels, thus, the overall Highest and Best Use of the property is as three individual house sites. Therefore, the individual parcels are analyzed and valued on the following pages.

METHODS OF APPRAISAL

In order to arrive at an accurate estimate of Market Value there are three commonly accepted approaches to establish value: The Cost Approach, the Sales Comparison Approach, and the Income Approach. They are described as follows:

The Cost Approach to value establishes the current market value of the site, as if vacant, then adds the current reproduction cost new, less accrued depreciation of the improvements.

The Sales Comparison Approach to value relates the subject property to similar properties, which have sold or are currently offered for sale. This approach has the greatest application when sufficient comparable information is available.

The Income Approach to value is the conversion of net income produced by the property into an indication of property value by use of a capitalization rate.

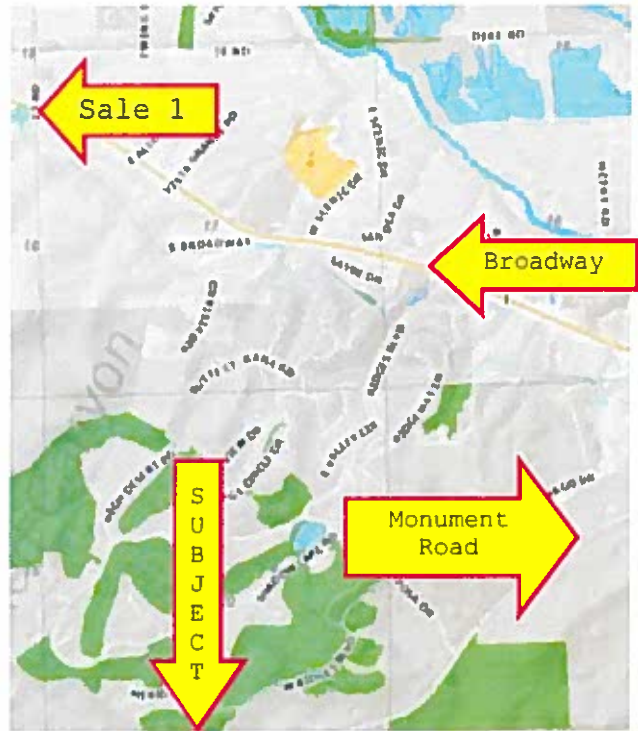
The subject property is appraised as vacant land and only the Land Sales Comparison Approach is utilized. The Cost Approach and the Income Approach to value are utilized for structurally improved properties. Therefore, these approaches to value are not appropriate for the valuation of the subject property.

SALES COMPARISON APPROACH

The Sales Comparison Approach involves the analysis of the sales of similar properties to the subject. After this information has been collected, it must be reduced to a common unit of comparison, such as a sale price per unit or a gross income multiplier. The sales are then analyzed and adjustments are made to make these sales comparable to the subject. Adjusted sale prices are examined and correlated into a final indication of value.

The Highest and Best Use of the subject property is as three individual house sites containing 1.2, 8.25 and 38.93 acres respectively. The sales below vary from 0.5 acres to 100 acres, however each sale is not compared to the individual house sites. The most appropriate comparable sales are compared to the individual sites.

SALE NO. 1



LOCATION: 2297 Broadway, just west of 23 Road on the south side of Broadway. It is located approximately 6 miles northwest of the Broadway and Monument Road intersection.

TAX SCHEDULE NO.: 2945-181-00-050

GRANTOR: Roberts

GRANTEE: Vernon

FINANCING: Cash to seller

SALE DATE: 2/2/14

SALE PRICE: \$65,000

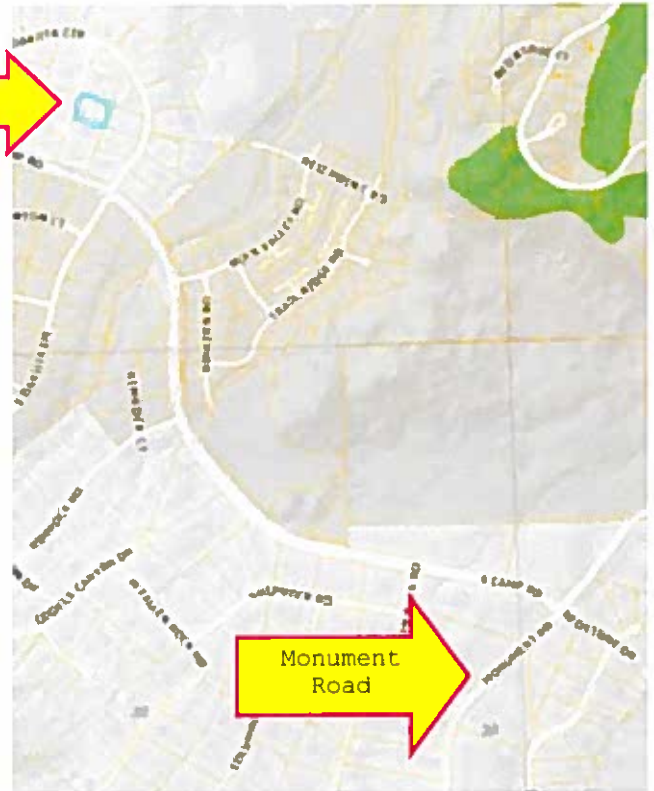
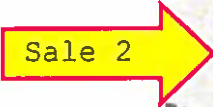
RECEPTION NO: 2681917

SITE DESCRIPTION:

- SIZE: 0.70 acres
- SHAPE: Rectangular
- ACCESS: Broadway
- UTILITIES: Domestic water and septic or sanitary sewer, natural gas, electricity and telephone
- WATER RIGHTS/IRRIGATED LAND: None
- ZONING: RSF
- DEVELOPMENT POTENTIAL: 1 Single family home site
- IMPROVEMENTS: Vacant
- WATER FRONTAGE: Redlands irrigation ditch

COMMENTS: House site on the south side of Broadway Avenue. The property was recently subdivided from a larger parcel that included a residence. Not within a subdivision.

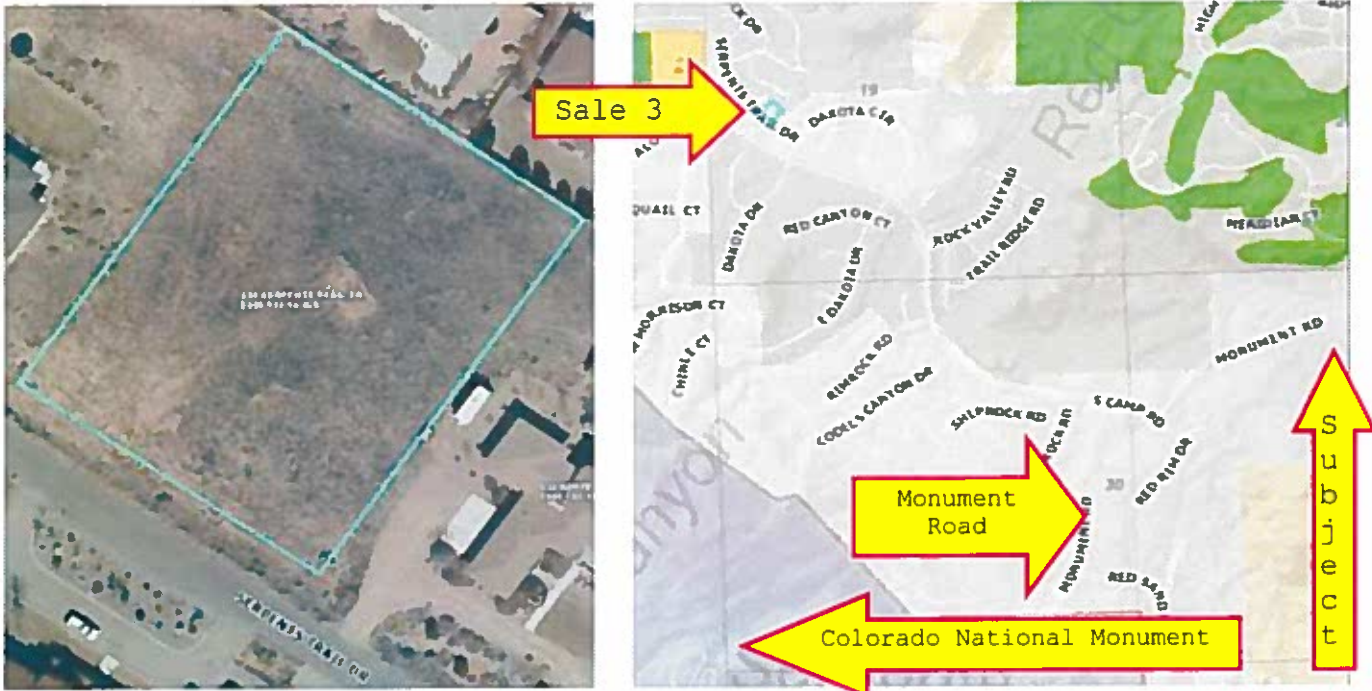
SALE NO. 2



LOCATION: 355 Echo Canyon Court, Monument Valley Estates.
TAX SCHEDULE NO.: 2945-193-15-007
GRANTOR: Fedrick & Roberts
GRANTEE: Duncan
FINANCING: Cash to seller
SALE DATE: 4/7/14
SALE PRICE: \$112,500
RECEPTION NO: 2686707
SITE DESCRIPTION:
SIZE: 1.00 acres
SHAPE: Rectangular
ACCESS: Echo Canon Court
UTILITIES: Domestic water and sewer, natural gas, electricity and telephone
WATER RIGHTS/IRRIGATED LAND: None
ZONING: RSF
DEVELOPMENT POTENTIAL: 1 Single family home site
IMPROVEMENTS: Vacant
WATER FRONTAGE: None

COMMENTS: House site within Monument Valley Subdivision. One of the last vacant lots within the development. Property was on the market for less than 50 days.

SALE NO. 3



LOCATION: 338 Serpents Trail Drive, Monument Valley Subdivision.

TAX SCHEDULE NO.: 2945-193-14-020

GRANTOR: Curtis/Jameson

GRANTEE: Donaldson

FINANCING: Cash to seller

SALE DATE: 2/20/14

SALE PRICE: \$120,000

RECEPTION NO: 2682428

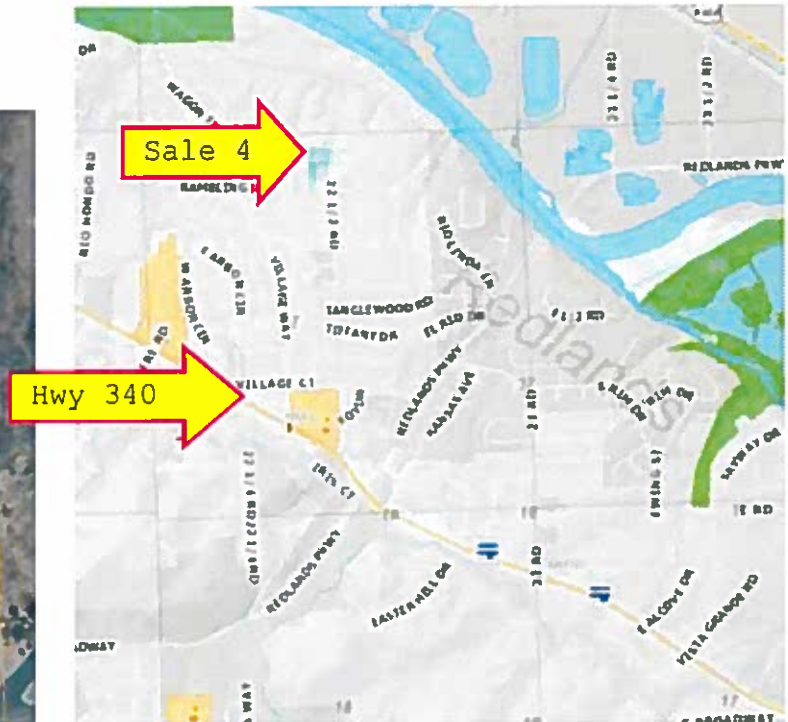
SITE DESCRIPTION:

- SIZE: 1.01 acres
- SHAPE: Rectangular
- ACCESS: Serpents Trail Drive
- UTILITIES: Domestic water and sewer, natural gas, electricity and telephone
- WATER RIGHTS/IRRIGATED LAND: None
- ZONING: RSF
- DEVELOPMENT POTENTIAL: 1 Single family home site
- IMPROVEMENTS: Vacant
- WATER FRONTAGE: None

COMMENTS: Small house site located within a subdivision that where most of the lots have sold and are improved.

The property previously sold April 15, 2011 for \$125,000, indicating a loss in value of \$5,000 over three years or 4%. The property also sold in 2001 for \$65,000. Comparing the 2001 and 2011 sales prices indicates annually compounded appreciation rate of 6.76%.

SALE NO. 4



LOCATION: 2248 Saddlehorn Road, Grand Junction. North of Broadway (Highway 340), west of 22 ½ Road.

TAX SCHEDULE NO.: 2945-072-33-002

GRANTOR: Castanha

GRANTEE: Carver

FINANCING: Cash to seller

SALE DATE: 7/19/12

SALE PRICE: \$80,000

RECEPTION NO: 2618353

SITE DESCRIPTION:

SIZE: 1.26 acres

SHAPE: Irregular

ACCESS: Saddlehorn Road

UTILITIES: Domestic water & sewer, natural gas, electricity and telephone

WATER RIGHTS/IRRIGATED LAND: 1-acre Redlands Irrigation District

ZONING: RSF - Single family lot within Redlands Village Subdivision

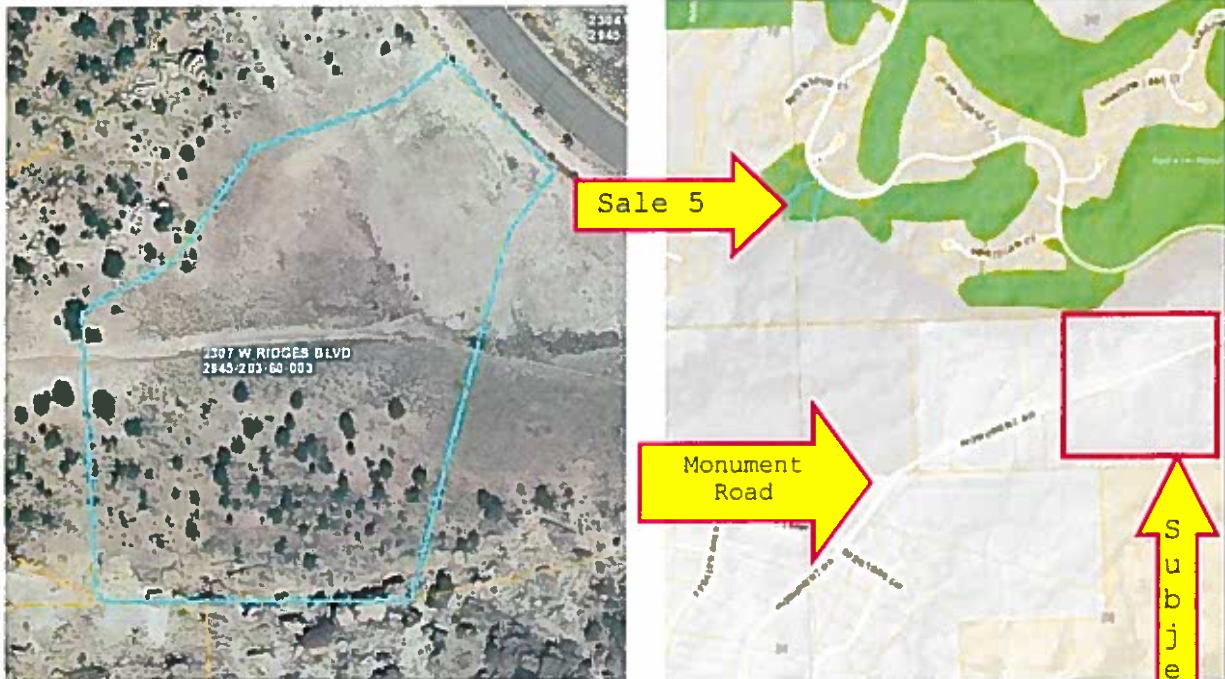
DEVELOPMENT POTENTIAL: One single family home site.

IMPROVEMENTS: Vacant

WATER FRONTAGE: None - views of the Colorado River

COMMENTS: Single family home site within a platted subdivision.

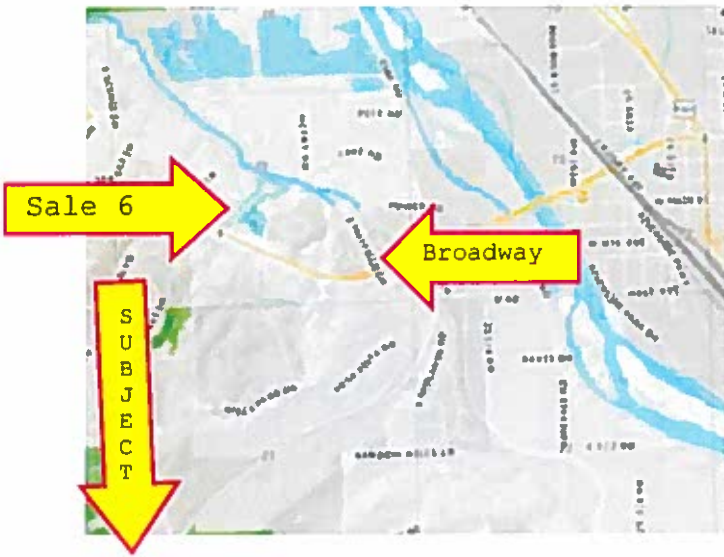
SALE NO. 5



LOCATION: 2307 W Ridges Boulevard, Grand Junction.
TAX SCHEDULE NO.: 2945-203-60-003
GRANTOR: Brightstar Redlands Mesa Development, LLC
GRANTEE: Rapiejko
FINANCING: Cash to seller
SALE DATE: 11/27/13
SALE PRICE: \$285,000
RECEPTION NO: 2676015
SITE DESCRIPTION:
SIZE: 1.92 acres
SHAPE: Rectangular
ACCESS: Serpents Trail Drive
UTILITIES: Domestic water and sewer, natural gas,
electricity and telephone
WATER RIGHTS/IRRIGATED LAND: None
ZONING: RSF
DEVELOPMENT POTENTIAL: 1 Single family home site
IMPROVEMENTS: Vacant
WATER FRONTAGE: None

COMMENTS: Large house site within the Redlands Mesa Subdivision, a high-end subdivision surrounding the Redlands Mesa Golf Course. The property overlooks the subject property.

SALE NO. 6



LOCATION: 2454 Broadway, north side of Broadway, across from the Ridges Subdivision, Grand Junction.

TAX SCHEDULE NO.: 2945-163-00-286

GRANTOR: Seligman Revocable Trust

GRANTEE: Chronos Homes, LLC

FINANCING: Cash to seller

SALE DATE: 3/21/14

SALE PRICE: \$87,000

RECEPTION NO: 2685461

PRICE PER ACRE: \$17,400/ac

SITE DESCRIPTION:

SIZE: 5.0 acres

SHAPE: Irregular

ACCESS: Broadway (Highway 340)

UTILITIES: Domestic water & sewer, natural gas, electricity and telephone

WATER RIGHTS/IRRIGATED LAND: None

ZONING: RES

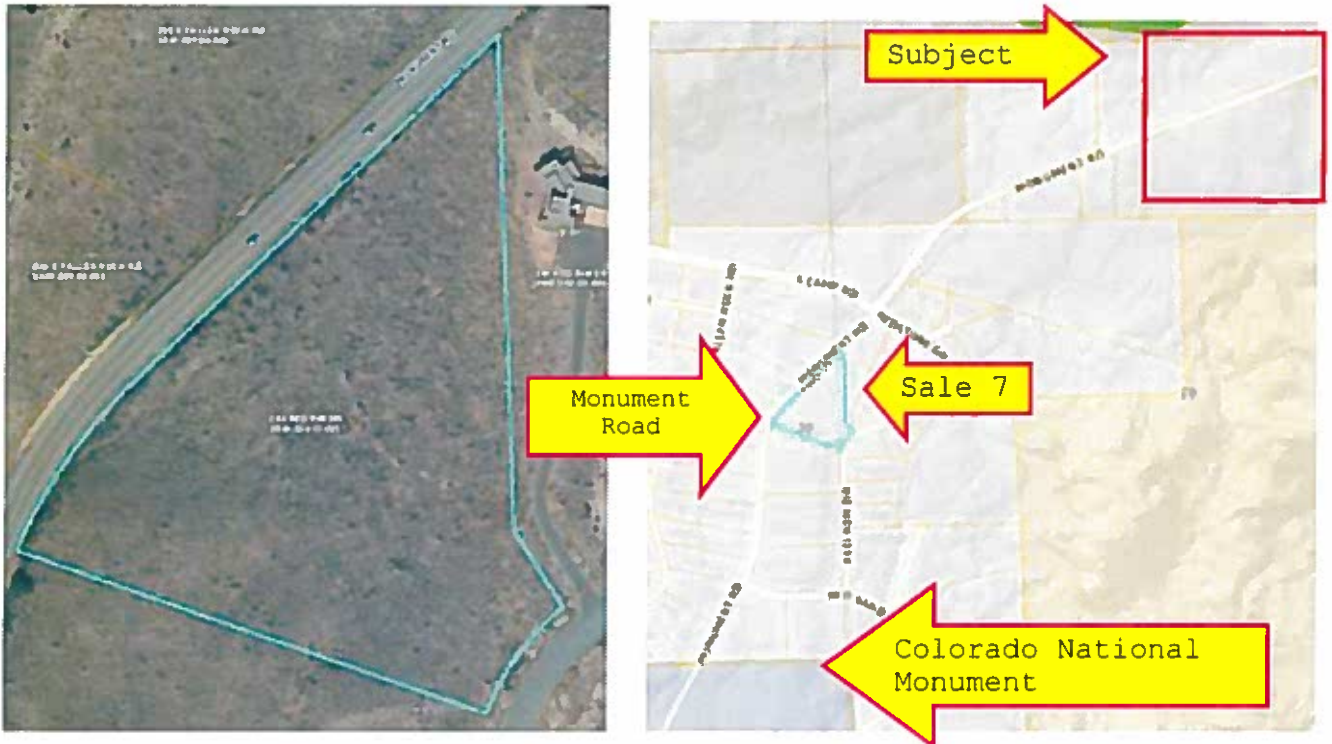
DEVELOPMENT POTENTIAL: One single family home site.

IMPROVEMENTS: Vacant

WATER FRONTAGE: Redlands irrigation canal.

COMMENTS. Irregular shaped house site that is not part of the residential subdivision. It does not have any irrigated land. Property was purchased by a general contract with the intent to construct a single family residence and then sell the entire improved property.

SALE NO. 7



LOCATION: 243 Red Rim Drive, east side of Monument Road, one-quarter mile north of the Colorado National Monument in Redstone Estate Subdivision.

TAX SCHEDULE NO.: 2945-304-11-001

GRANTOR: Cannon Living Trust & Perez

GRANTEE: Trayford

FINANCING: Cash to seller

SALE DATE: 12/9/13

SALE PRICE: \$188,000

RECEPTION NO: 2676730

PRICE PER ACRE: \$36,363/ac

SITE DESCRIPTION:

- SIZE: 5.17 acres
- SHAPE: Triangular
- ACCESS: Red Rim Drive
- UTILITIES: Ute water and septic sewer, propane, electricity and telephone
- WATER RIGHTS/IRRIGATED LAND: None
- ZONING: RSF
- DEVELOPMENT POTENTIAL: 1 Single family home site
- IMPROVEMENTS: Vacant
- WATER FRONTAGE: None

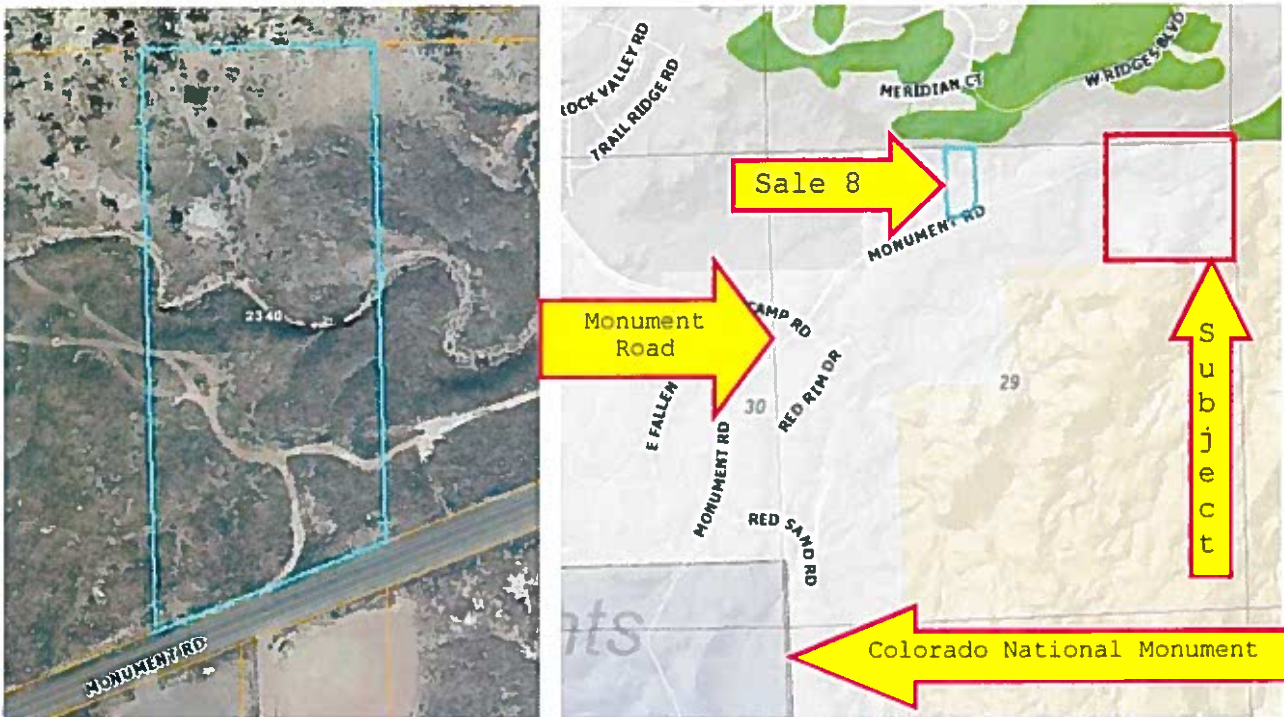
COMMENTS: Property is located within a well developed subdivision with the potential to be developed with one single family residence. The property has frontage to Monument Road, and is approximately one-quarter mile southwest of the subject.

Similar ground cover to the subject, however this parcel is generally flat with no drainage flowing through it.

This property previously sold in July of 2005 for \$205,000 and in 2002 for \$150,000. Comparing the 2013 and the 2005 sale prices indicates a loss in value of \$17,000 or a loss in value of 1.08% per year, or an overall loss in value of 8.29%.

Comparing the sales price in 2002 to the sales price in 2005 indicates an annual compounded appreciation rate of 10.97%.

SALE NO. 8



LOCATION: 2340 Monument Road, north side of Road, just west of the subject property in Mesa County.

TAX SCHEDULE NO.: 2945-292-00-110

GRANTOR: Artman & Duff

GRANTEE: Rodriques

FINANCING: Cash to seller

SALE DATE: 2/26/14

SALE PRICE: \$78,750

RECEPTION NO: 2682912

PRICE PER ACRE: \$14,583/ac

SITE DESCRIPTION:

SIZE: 5.4 acres

SHAPE: Rectangular

ACCESS: Monument Road

UTILITIES: Well water and septic sewer, propane, electricity and telephone

WATER RIGHTS/IRRIGATED LAND: None

ZONING: RSF-4

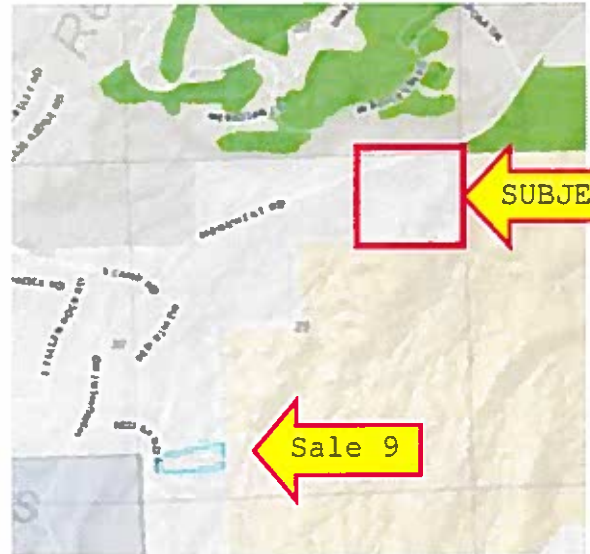
DEVELOPMENT POTENTIAL: 1 Single family home site

IMPROVEMENTS: Vacant

WATER FRONTAGE: None

COMMENTS: Located just west of the subject with the same physical features. The property has previously sold in May of 2011 for \$53,000. The sale and resale of the property indicates an annual appreciation rate of 3.22%.

SALE NO. 9



LOCATION: 206 Red Sand Road, east side of Red Sand Road, ¼ mile east of Monument Road and the east Colorado National Monument entrance.

TAX SCHEDULE NO.: 2945-293-02-002

GRANTOR: Richey

GRANTEE: Ben Johnson Trust

FINANCING: Cash to seller

SALE DATE: 3/22/13

SALE PRICE: \$350,000

RECEPTION NO: 2648865

PRICE PER ACRE: \$46,667/ac

SITE DESCRIPTION:

SIZE: 7.5 acres

SHAPE: Rectangle

ACCESS: Red Sand Road

UTILITIES: Well water, septic sewer, natural gas/propane electricity and telephone

WATER RIGHTS/IRRIGATED LAND: None

ZONING: RES

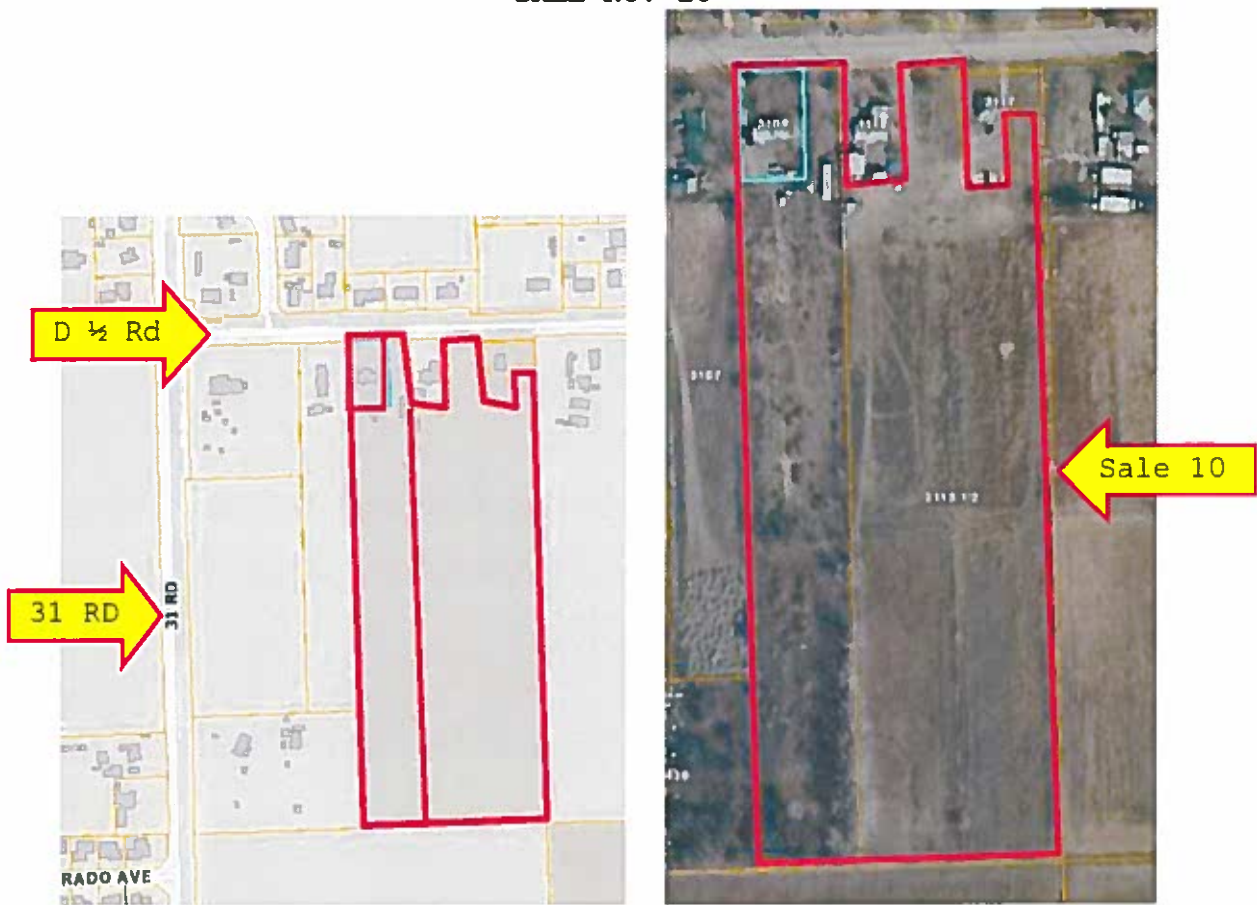
DEVELOPMENT POTENTIAL: 1 Single Family Residence

IMPROVEMENTS: Vacant

WATER FRONTAGE: No frontage to water

COMMENTS: Just east of the Colorado National Monument, approximately one-quarter mile southwest of the subject property. Similar physical features as the subject, except the utilities are extended to the property line at time of sale for this property.

SALE NO. 10



LOCATION: 3109, 3111 and 3115 1/2 D 1/2 Road, south side of D 1/2 Road, less than one-quarter mile east of 31 Road, City of Grand Junction.

TAX SCHEDULE NO.: 2943-153-00-150 - 0.42
2943-153-00-151 - 4.47
2943-153-19-001 - 8.90

GRANTOR: Realty Management Group, LLC

GRANTEE: Koch

FINANCING: Cash to seller

SALE DATE: 3/4/13

SALE PRICE: \$142,500

RECEPTION NO: 2646266

PRICE PER ACRE: \$10,333/ac

SITE DESCRIPTION:

SIZE: 13.79 acres

SHAPE: Rectangle

ACCESS: D 1/2 Road

UTILITIES: Domestic water and sewer, natural gas, electricity and telephone

WATER RIGHTS/IRRIGATED LAND: None

ZONING: R-5

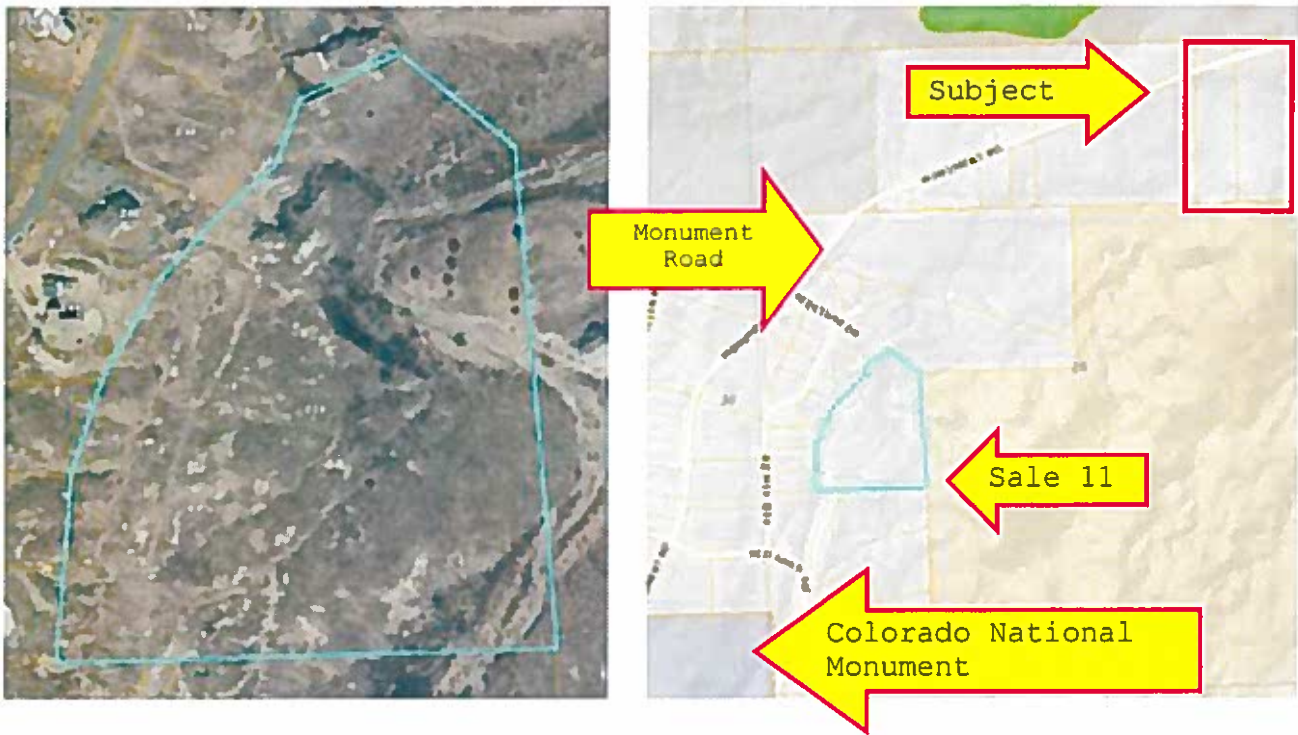
DEVELOPMENT POTENTIAL: 3 individual single family house sites, or the potential for high density or multi-family residential development similar to surrounding developments. Minimum development of 3 units per acre, and maximum development of 5 units per acre.

IMPROVEMENTS: Vacant

WATER FRONTAGE: None

COMMENTS: This property is not located on the Redlands nor in the subject neighborhood, however it is comprised of three individual parcels that can each be sold individually, similar to the subject. The property is in an inferior neighborhood that commands prices less than the subject neighborhood. However, it is included in this analysis because it is comprised of, and sold as, three individual parcels.

SALE NO. 11



LOCATION: 220 Red Sand Drive, east of Monument Road, west of Bangs Canyon NCA (BLM lands), less one-quarter mile north of the Colorado National Monument in Redstone Estate Subdivision.

TAX SCHEDULE NO.: 2945-293-02-006

GRANTOR: Humphrey

GRANTEE: Hotimsky

FINANCING: Cash to seller

SALE DATE: 10/4/13

SALE PRICE: \$205,000

RECEPTION NO: 2670875

PRICE PER ACRE: \$10,485/ac

SITE DESCRIPTION:

SIZE: 19.55 acres

SHAPE: Triangular

ACCESS: Red Sand Drive

UTILITIES: Ute water and septic sewer, propane, electricity and telephone

WATER RIGHTS/IRRIGATED LAND: None

ZONING: RSF

DEVELOPMENT POTENTIAL: 1 Single family home site

IMPROVEMENTS: Vacant

WATER FRONTAGE: None

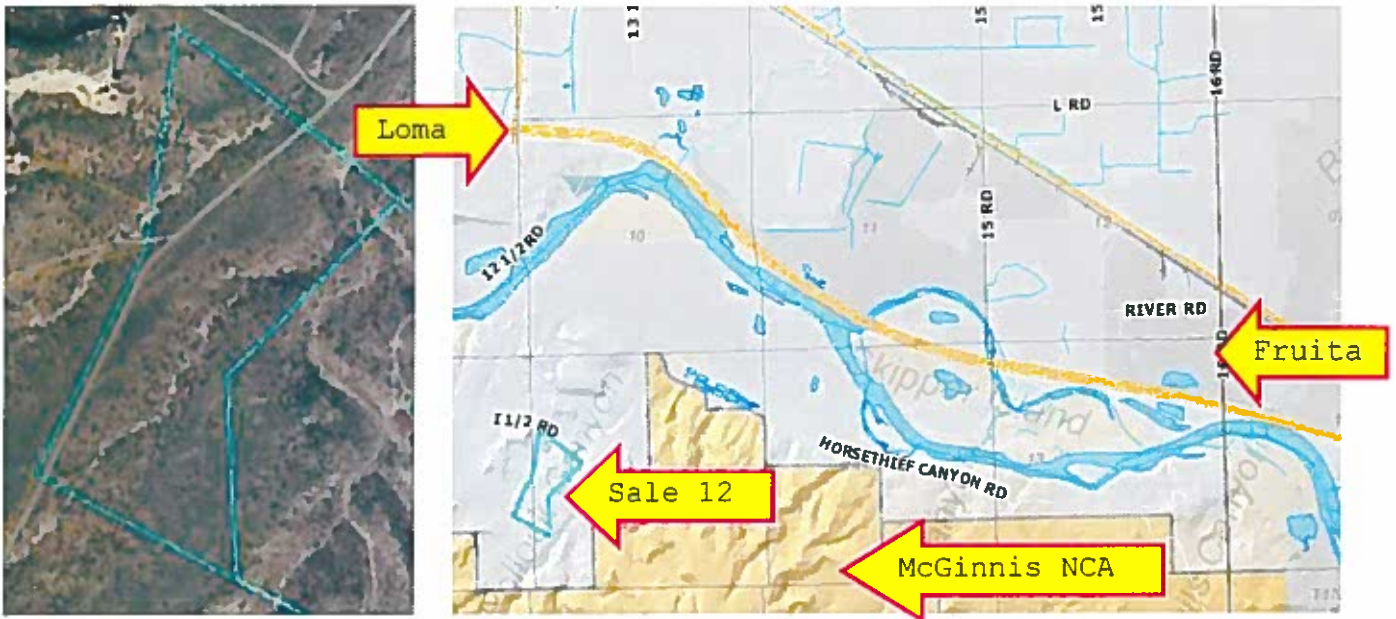
COMMENTS: Property is located within a well developed subdivision with the potential to be developed with one single family residence. Similar ground cover to the subject, however

this parcel is generally flat with no drainage flowing through it.

This property previously sold in July of 2005 for \$270,000 and in 1999 for \$187,500. Comparing the 2013 and the 2005 sale prices indicates a loss in value of \$65,000, or an overall loss in value of 24.07%.

Comparing the sales price in 1999 to the sales price in 2005 indicates an annual compounded appreciation rate of 5.77%.

SALE NO. 12



LOCATION: 1349 I ½ Road, Fruita. South side of I ½ Road, in Pollack Canyon Subdivision.

TAX SCHEDULE NO.: 2693-152-00-211

GRANTOR: Ludwig

GRANTEE: Birch & Rink

FINANCING: Cash to seller

SALE DATE: 9/25/13

SALE PRICE: \$195,000

RECEPTION NO: 2669689

PRICE PER ACRE: \$5,546/ac

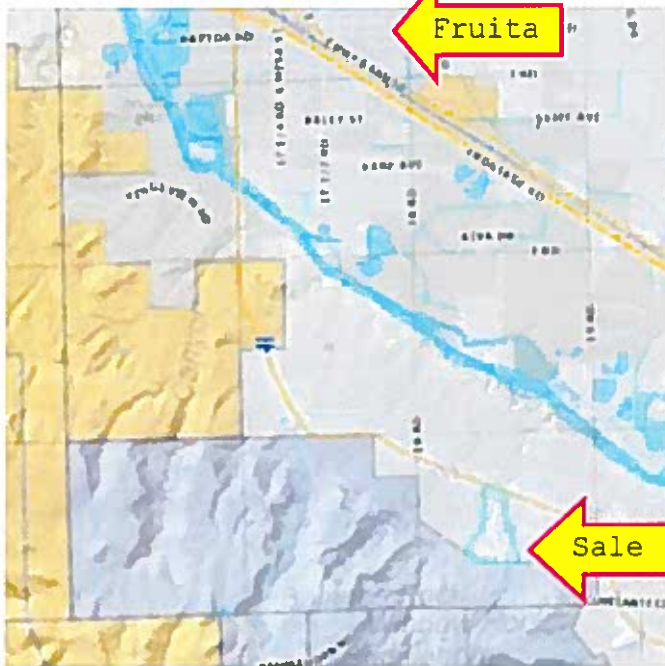
SITE DESCRIPTION:

- SIZE: 35.16 acres
- SHAPE: Rectangle
- ACCESS: D ½ Road
- UTILITIES: Well water and septic sewer, propane, electricity and telephone
- WATER RIGHTS/IRRIGATED LAND: None
- ZONING: RSF
- DEVELOPMENT POTENTIAL: 1 Single family home site
- IMPROVEMENTS: Vacant
- WATER FRONTAGE: None

COMMENTS: Property is located within Pollack Canyon Subdivision and was recently subdivided from a 70-acre parcel into a 35-acre house site. The property has the potential to be further subdivided, however based on the current market and location, this is not the Highest and Best Use.

Dry adobe site located south of the Colorado River, and north of McGinnis Canyons National Conservation Area. HOA dues cover road maintenance.

SALE NO. 13



LOCATION: 1851 Broadway, south side of Broadway, approximately 10 miles south of Fruita.

TAX SCHEDULE NO.: 2697-333-00-789

GRANTOR: Ross

GRANTEE: Green

FINANCING: Cash to seller

SALE DATE: 3/4/14

SALE PRICE: \$300,000

RECEPTION NO: 2683634

PRICE PER ACRE: \$6,280/ac

SITE DESCRIPTION:

- SIZE: 47.77 acres
- SHAPE: Irregular
- ACCESS: Broadway (Highway 340)
- UTILITIES: Well water, septic sewer, natural gas, electricity and telephone
- WATER RIGHTS/IRRIGATED LAND: None
- ZONING: AFT
- DEVELOPMENT POTENTIAL: R/A 10 - 10 Acre Residential house sites
- IMPROVEMENTS: Vacant
- WATER FRONTAGE: No frontage to water

COMMENTS. Irregular shaped parcel that has the potential to be developed into four 10-acre house sites. It is located adjacent north of the Colorado National Monument. No irrigated land, comprised of dry land covered in cacti, native grasses and sagebrush.

LISTING NO. 14



LOCATION: Monument Road. North side of Monument Road, northwest of Monument Road and Glade Park Road intersection, in the City of Grand Junction.

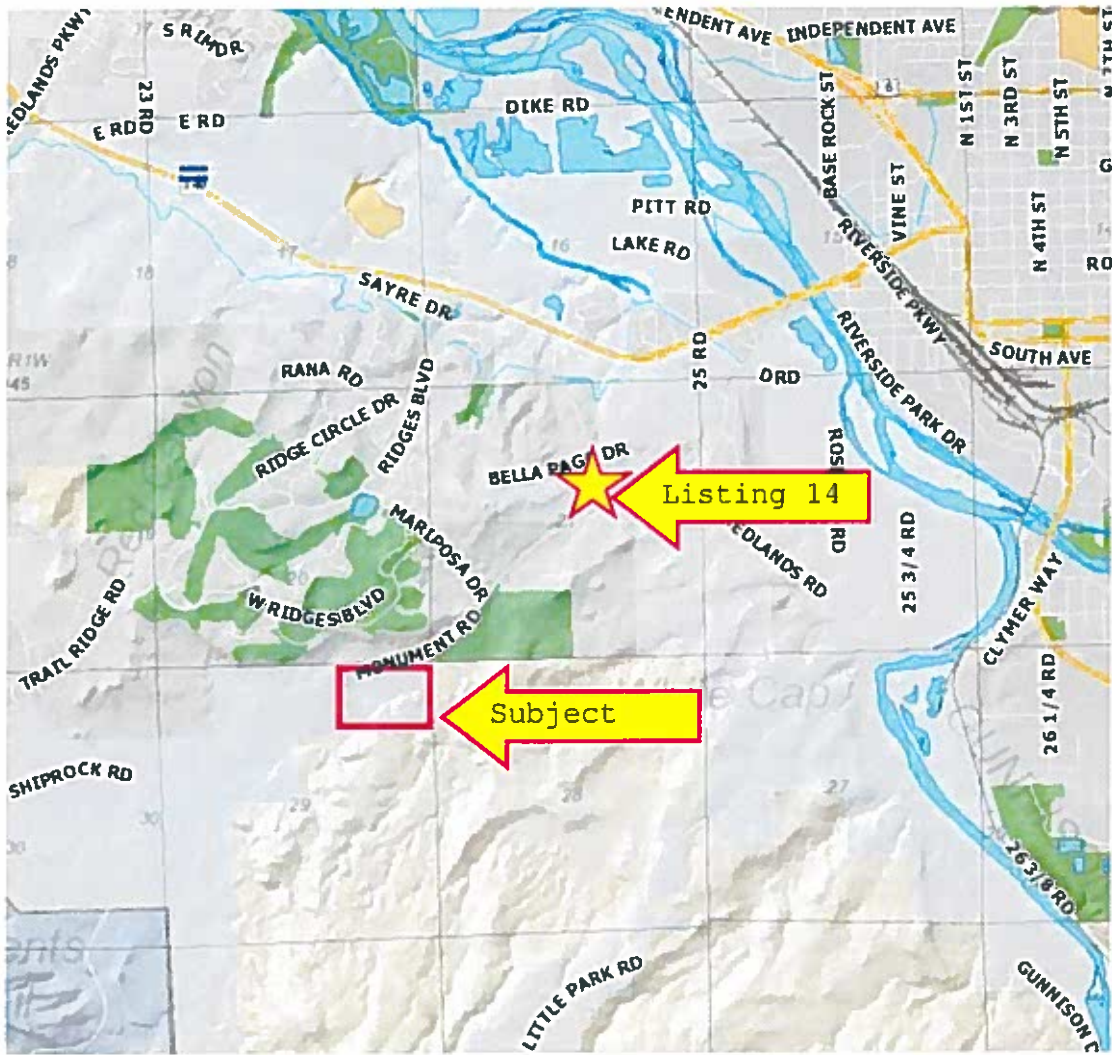
TAX SCHEDULE NO.: 2945-211-00-039 - 7.96
2945-211-00-030 - 0.50
2945-212-00-053 - 11.81

GRANTOR: Reimer
GRANTEE: N/A
LIST DATE: 3/31/14
SALE PRICE: \$318,000
RECEPTION NO: N/A
PRICE PER ACRE: \$15,688/ac

SITE DESCRIPTION:
SIZE: 20.27 acres
SHAPE: Irregular
ACCESS: Monument Road & Bella Pago Drive
UTILITIES: Well water, septic sewer, natural gas, electricity and telephone
WATER RIGHTS/IRRIGATED LAND: None
ZONING: RSF-4
DEVELOPMENT POTENTIAL: One 0.50-acre house site, with remaining land allowed four single family lots per acre.

IMPROVEMENTS: Vacant
WATER FRONTAGE: No frontage to water

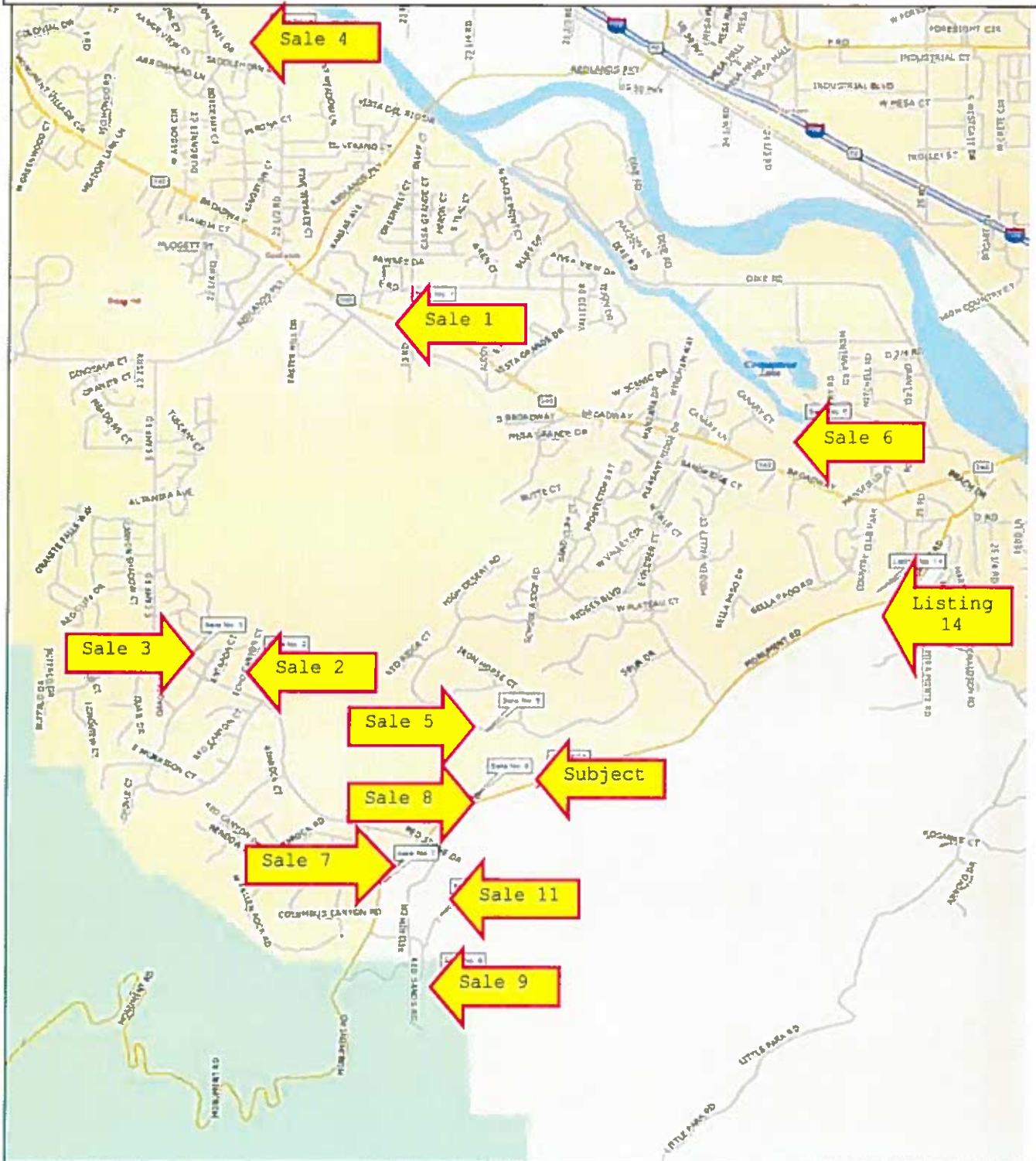
COMMENTS: Irregular shaped parcel located just northeast of the subject. It is comprised of three individual house sites, and had higher development potential, similar to the subject ownership.



COMPARABLE SALES MAP - In Close Proximity to Subject



COMPARABLE SALES MAP In Close Proximity to Subject



COMPARABLE SALES CHART

Sale No	Location	Sale Price Site Size	Sale Date	Unit Price	Comments
1	2297 Broadway, just west of 23 Road	\$65,000 0.70 ac	2/2/14		Single family home site, not with subdivision. Similar utilities, access & physical features to the subject
2	355 Echo Canyon Court, Monument Valley Subdivision	\$112,500 1.00 ac	4/7/14		Single family home site. Property was listed for sale for less than 2 months.
3	338 Serpents Trail Drive, Monument Valley Subdivision	\$120,000 1.01 ac	2/20/14		One of the last single family home sites within subdivision. Dry lot
4	2248 Saddlehorn Road, North of Broadway west of 22 ½ Rd	\$80,000 1.26 ac	7/19/12		1 acre of irrigated land Views of the Colorado River, within Redlands Village Sub
5	2307 W Ridges Blvd, Ridges Subdivision & Redlands Mesa Golf Course	\$285,000 1.92 ac	11/27/13		Large house site within high-end subdivision and golf community. Parcel overlooks the subject & Monument Road
6	2454 Broadway, north side of Broadway	\$87,000 5.0 ac	3/21/14	\$17,400	Vacant dry single family home site. Parcel was purchased by a builder & is being improved with a residence.
7	243 Red Rim Drive, east side of Monument Road, Redstone Estate Subdivision	\$188,000 5.17 ac	12/9/13	\$36,363	Single family residence. ¼ mile north of CNM east entrance & south of subject. Parcel backs to Monument Road
8	2340 Monument Rd, north side of Monument Rd	\$78,750 5.4 ac	2/26/14	\$14,583	Single family home site, adjacent south of public land owned by City of GJ, ¼ mile west of subject
9	206 Red Sand Road, ¼ mile east of Monument Rd	\$350,000 7.5 ac	3/22/13	\$46,667	Adjacent west of BLM land, house site within developed subdivision. East CNM entrance
10	3109, 3111, and 3115 ½ D ½ Road. South side of D ½ Rd, southeast portion of GJ	\$142,500 13.79 ac	3/4/13	\$10,333	3 single family home sites, w/potential high density development into 5 sites/ac, Bulk Sale
11	220 Red Sand Drive, east of Monument Rd, Redstone Estate Subdivision	\$205,000 19.55	10/4/13	\$10,485	Adjacent west of BLM lands, larger house site within established subdivision, ¼ mile SW of subject.
12	1349 I ½ Road, Fruita. Pollack Canyon Subdivision	\$195,000 35.16 ac	9/25/13	\$5,546	Single family residence within established subdivision. Subdivided from a 70-acre parcel prior to the sale.

13	1851 Broadway, south side of Broadway, 10 miles south of Fruita	\$300,000 47.77 ac	3/4/14	\$6,280	Large vacant house site with the potential to be developed into 10-ac house sites
14	Monument Road, NW of Monument Rd and Glade Park Road intersection	20.27	Listed Since 3/31/14	\$15,688	Similar to the subject property physically and development. Smaller than the subject.

The above sales consist of a variety of properties located throughout the Redlands, Fruita and Grand Junction/Clifton neighborhoods. The properties were primarily purchased for single family residential uses, similar to the Highest and Best Uses of the subject's individual parcels. The subject is comprised of three individual parcels of varying sizes ranging from 1.2 to 38.93 acres. The sales vary from 0.70 to 47.77 acres. The sales that are most similar to the individual subject parcels are used in the analyses. The comparable sales that are between 0.70 and 5.4 acres are compared to the subject's 1.20-acre house site. The sales that range from 1.92 to 13.79 acres are compared to the 8.25-acre subject parcel. And the large sales are compared to the subject's large house site. The sales are further compared and adjusted to the subject parcels as follows:

Market Conditions

From 2005 through June of 2008 the market was strong with increasing prices and declining supply. Depending on the type and location of the property, appreciation rates were increasing between 10 and 30 percent.

Because of the decline in the national and regional economies. and the exodus of the energy industry, the progressive trends changed. The market declined from the second quarter of 2008 through 2010. During this time period, prices dropped and marketing times lengthened.

In 2011, the number of house sales and sales prices began to stabilize. Although the prices are not at the high previously experienced prior to 2008, the number of transactions has increased. This is due to lower prices, an improving economy, and slight increases in demand for residential and commercial development.

All of the sales occurred between 2012 and 2014, this time frame is considered the current market and none of the sales require an adjustment for market conditions.

Condition of the Sales

Most of the sales are considered arms lengths transactions and no adjustments are warranted. Sale No. 10 was sold as a bulk sale of three individual sites sold as one parcel. The sales price was discounted from the prices of the individual parcels. Sale No. 10 as one property with three individual parcels will be compared to the subject's individual parcel, individually. However, it was discounted from the combined market value because it was sold as a group, when compared to the individual subject parcels, it warrants an upward adjustment.

Cash Equivalency

All of the sales were either cash or equivalent to cash and no adjustments are warranted.

Location

The subject property is located southwest of downtown and in a residential and recreational neighborhood. This neighborhood is superior to the Fruita, Loma, and southeast Grand Junction neighborhoods due to the proximity to Grand Junction and the high-end residential developments. Thus, the comparable sales that are located within these neighborhoods require upward adjustments.

Additionally, the properties that are located within a subdivision typically have utilities extended to the property line which is superior to the subject. They also include additional amenities which are superior to the subject, however, they are charged Home Owners Association Dues to cover these amenities. The cost of the HOA dues does not offset the amenities and the parcels located within subdivisions require downward adjustments.

Water Rights - Irrigated and Dry Graze Land

The subject does not include any water rights. The value of the water is an intrinsic part of the irrigated land value and adjustments, if any, are made based on the percentage of irrigated versus non-irrigated land. Thus, parcels that have water rights/irrigated land warrant downward adjustments in comparison to the subject. Due to the limited number of paired sales, and lack of the sale of water rights, we were unable to conclude a quantitative adjustment for water rights and irrigated land. The comparable sales that included water rights require a downward (-) adjustment. Additionally, the sales that included irrigated land require additional downward adjustments. Thus, a comparable sale that has water rights and irrigated land warrants two or more downward adjustments (depending on the percentage of irrigated land, it could be more than two qualitative adjustments).

Water Features/Water Frontage

The subject contains an intermittent/seasonal drainage. The comparables that contain water features, include ponds, lakes, river frontage and water features beyond an intermittent drainage warrant downward adjustments.

Size

The subject contains three individual parcels containing 1.20, 8.25 and 38.93 acres. Typically, larger parcels will sell for a higher overall value but a lower unit price than smaller parcels. For example, a 10-acre site may sell for \$30,000 per acre for a total value of \$300,000, while a 40-acre parcel will sell for \$20,000 per acre, but will have a total value of \$800,000. While the small site has a lower overall value, the unit value is much higher than the larger parcel. Therefore, the smaller parcels will require a downward adjustment to the per acre price. The comparables most similar in size are compared to the individual subject parcels.

The small site sales are compared to Subject Parcel No. 1 on a site basis and not on a per acre price. The sales compared to Parcel Nos. 2 and 3 are compared based upon unit prices. This is typical of the market and the sales are adjusted accordingly.

Functional Utility

The subject parcels are located on both sides of Monument Road, and is comprised of three individual parcels. Sale No. 10 and Listing No. 14 are comprised of three individual parcels. The individual subject parcels are each considered one single family home site, and the individual parcel sales are compared to the individual subject parcel sales as home sites. Although the entire property could be developed into smaller house sites, including a medium to high density residential subdivision, it is not financially feasible at this time. The comparable sales have similar functional utility as single family home sites and no adjustments are required.

Improvements

The subject is vacant and all of the sales are vacant. No adjustments are required.

Access

The subject has good legal access. The comparables have good legal and physical access along county roads and no adjustments are warranted.

Topography

Most of the comparables are generally flat sites that are used for agricultural production and residential development. The subject

property is comprised of rolling to steep hills with an arroyo that extends south of Monument Road and affects the southern two parcels. This area may require a bridge and flash flood planning for any type of development. The comparables with superior topography warrant downward adjustments.

Views

The subject property's Parcel Nos. 2 and 3 have uninterrupted views in almost all directions, including the Bookcliff Range and the Grand Valley from the northwest to the northeast, Grand Mesa to the east, and the Colorado National Monument to the southwest. Several of the comparable sales have similar uninterrupted views. However, some of the sales are located in the valley floor, similar to Subject Parcel No. 1, and although they have views in a particular direction, they are not parallel to the subject's views. These sales required upward adjustments for views.

Zoning/Future Land Use

The subject property is zoned RSF-4, which allows for a maximum of four sites per 1-acre, however there is limited demand for this type of higher density development. As concluded in the Highest and Best Use section, the most likely use of the individual parcels at this time is single family residential development similar to the comparable sales. However, due to the zoning and lack of previous development, the subject parcels could potentially be developed into a high density development. Thus the comparable sales are adjusted accordingly.

ANALYSIS OF SUBJECT PARCEL NO. 1

Subject Parcel No. 1 contains 1.2 acres located on the north side of Monument Road. The most comparable sales, Sale Nos. 1 through 5 and Sale No. 8 are used in the valuation of this parcel. These sales are further analyzed and compared to the subject below:

Sale No. 1 sold in February of 2014 for \$65,000. The property contains 0.70 acres and is located on the south side of Broadway just west of 23 Road. It is a flat single family home site that was recently subdivided from a larger parcel that included a single family residence. The property has utilities available, but no taps are on site.

This sale is adjusted as follows:

Sale No.	No.1
UNADJUSTED SALE PRICE	\$65,000
Improvements	n/a
Condition of Sale	=
Market Conditions	N/A
Financing	=
Location	=
Water Rights/Irrigation	=
Water Frontage	=
Site Size	+
Functional Utility	=
Access	=
Ground Cover	=
Topography	-
Zoning/Future Land Use	+
Utilities	=
Views	=
Overall Adjustment	+ \$65,000

This sale requires a downward adjustment for topography. Upward adjustments for site size and future land use are warranted. After adjustments, this sale indicates a price of more than \$65,000 for the subject's 1.2-acre house site.

Sale No. 2 is located at 355 Echo Canyon Court in Monument Valley Subdivision. The property sold in April of 2014 for \$112,500, it was listed for less than two months before it sold. It is a one-acre house site within an established subdivision. It is adjusted as follows:

Sale No.	No.2
UNADJUSTED SALE PRICE	\$112,500
Improvements	n/a
Condition of Sale	=
Market Conditions	N/A
Financing	=
Location	-
Water Rights/Irrigation	=
Water Frontage	=
Site Size	=
Functional Utility	=
Access	=
Ground Cover	=
Topography	-
Zoning/Future Land Use	+
Utilities	-
Views	=
Overall Adjustment	-- \$112,500

This sale requires an upward adjustment for the potential of future development on the subject property. Downward adjustments for subdivision location, topography and utilities are warranted.

This sale indicates a price of less than \$112,500 for the subject site.

Sale No. 3 is located at 339 Serpents Trail Drive, in Monument Valley Subdivision. The property contains 1.01 acres and sold in February of 2014 for \$120,000. The property is a flat house site within a well developed subdivision, and is one of the last sales within the neighborhood. This sale is adjusted as follows:

Sale No.	No.3
UNADJUSTED SALE PRICE	\$120,000
Improvements	n/a
Condition of Sale	=
Market Conditions	N/A
Financing	=
Location	-
Water Rights/Irrigation	=
Water Frontage	=
Site Size	=
Functional Utility	=
Access	=
Ground Cover	=
Topography	-
Zoning/Future Land Use	+
Utilities	-
Views	=
Overall Adjustment	-- \$120,000

This sale requires an upward adjustment for the potential of future development on the subject property. Downward adjustments for topography and utilities are warranted. This sale indicates a price of less than \$120,000 for subject Parcel No. 1.

Sale No. 4 is located north of Broadway, with views of the Colorado River. It is a flagpole shaped lot within an established subdivision. This parcel sold for \$80,000 in July of 2012. It contains 1.26 acres of dry land and can be developed as one house site.

It is adjusted as follows:

Sale No.	No.4
UNADJUSTED SALE PRICE	\$80,000
Improvements	n/a
Condition of Sale	=
Market Conditions 2009-2010	N/A
Financing	=
Location	-
Water Rights/Irrigation	=
Water Frontage	=
Site Size	=
Functional Utility	=
Access	=
Ground Cover	=
Topography	=
Zoning/Future Land Use	+
Utilities	-
Views	=
Overall Adjustment	- \$80,000

This sale warrants an upward adjustment for zoning and future land use. Downward adjustments for location and utilities are required. This sale indicates a price of less than \$80,000 for the 1.20-acre subject parcel.

Sale No. 5 is located northwest of the subject in the Ridges Subdivision and is part of the Redlands Mesa Golf Community, a high-end neighborhood. The property contains 1.92 acres and has additional amenities including golf membership and pool use. This sale has incredible views of the entire Grand Valley. The property sold November 27, 2013 for \$285,000. It is adjusted as follows:

Sale No.	No.5
UNADJUSTED SALE PRICE	\$250,000
Improvements	n/a
Condition of Sale	=
Market Conditions	N/A
Financing	=
Location	--
Water Rights/Irrigation	=
Water Frontage	=
Site Size	-
Functional Utility	-
Access	=
Ground Cover	=
Topography	=
Zoning/Future Land Use	+
Utilities	-
Views	-
Overall Adjustment	----- \$250,000

This sale requires downward adjustments for location, site size, functional utility/amenities, utilities and views. A downward

adjustment for future land use/zoning/development potential is warranted. After adjustments, this sale indicates a price of less than \$250,000.

Sale No. 8 contains 5.4 acres, which is significantly larger than the subject. However, this parcel was purchased February of 2014 for \$78,750. It is located just west of the subject, on the north side of Monument Road. It has similar physical features, access, road frontage and utilities as the subject and is adjusted as follows:

Sale No.	No.8
UNADJUSTED SALE PRICE	\$78,750
Improvements	n/a
Condition of Sale	=
Market Conditions	N/A
Financing	=
Location	=
Water Rights/Irrigation	=
Water Frontage	=
Site Size	-
Functional Utility	=
Access	=
Ground Cover	=
Topography	=
Zoning/Future Land Use	=
Utilities	=
Views	=
Overall Adjustment	- \$78,750

Sale No. 8 requires one downward adjustment for site size, and indicates a price of slightly less than \$78,750 for the subject's 1.20-acre house site.

ADJUSTMENT GRID

Sale No.	No.1	No.2	No.3	No.4	No.5	No.8
UNADJUSTED SALE PRICE	\$65,000	\$112,500	\$120,000	\$80,000	\$250,000	\$78,750
Improvements	n/a	n/a	n/a	n/a	n/a	n/a
Condition of Sale	=	=	=	=	=	=
Market Conditions Prior	N/A	N/A	N/A	N/A	N/A	N/A
Financing	=	=	=	=	=	=
Location	=	-	-	-	--	=
Water Rights/Irrigation	=	=	=	=	=	=
Water Frontage	=	=	=	=	=	=
Site Size	+	=	=	=	-	-
Functional Utility	=	=	=	=	-	=
Access	=	=	=	=	=	=
Ground Cover	=	=	=	=	=	=
Topography	-	-	-	=	=	=
Zoning/Future Land Use	+	+	+	+	+	=
Utilities	=	-	-	-	-	=
Views	=	=	=	=	-	=
Overall Adjustment	+	--	--	-	----	-
	\$65,000	\$112,500	\$120,000	\$80,000	\$250,000	\$78,750

Summary of Sales

The sales provide an unadjusted range from \$65,000 to \$250,000 for a home site. Sale Nos. 2, 3, 4, 5 and 8 indicate a price of less than \$112,500, \$120,000, \$80,000, \$250,000, and \$78,750 respectively. Sale No. 1 indicates a price of more than \$65,000 for a smaller site with similar frontage and utilities.

The low end of the range is supported by a recent sale with similar thoroughfare frontage, access, physical features, and utilities. However, Sale No. 1 is nearly half the size of Subject Parcel No. 1. Thus, the subject commands a price higher than \$65,000 as indicated by this sale.

The upper end of the range is supported by the other four sales and with the lower end capped by Sale No. 4 at \$80,000 and Sale No. 8 at \$78,750. Although Sale No. 4 is similar in size, this parcel is located within a developed subdivision. The subject commands a site price less than indicated by these sales due to the additional amenities, individually tapped utilities to the site, and location off of a main thoroughfare provided additional seclusion. Sale No. 8, the parcel in closest proximity to the subject, was recently purchased, however it contains 5.4 acres. Thus, the subject commands a price less than indicated by this sale.

VALUE CONCLUSIONS - SUBJECT PARCEL NO. 1

The 1.2-acre subject property commands a value within the adjusted range. As previously discussed, the subject is located in close proximity to high-end residential development, has good access, adjacency to public recreational land, all utilities available along Monument Road, and is in close proximity to downtown Grand Junction and the Colorado National Monument. It does not command a value at the extreme high end of the range due to the frontage to Monument Road.

Although the good access is a benefit, it is a small site and any development will be in close proximity to the road. Since it is a main arterial to both the residential and recreational areas, there is a lot of traffic. This is a draw back in comparison to a location within a subdivision that is further from the traffic. Additionally, the subject does not have utilities extended to the property line, while most of the comparables have utility taps at the property line.

However, the property is located adjacent south of public land managed by the City of Grand Junction and within one-half mile of the Colorado National Monument, Bangs Canyon NCA and the Three Sisters/Lunch Loop recreation areas. Due to the location, future development potential, recreational uses, location, size and

topography, it is concluded that the subject property commands a price above the middle of the established range, but not \$80,000, due to the thoroughfare frontage or \$78,750 due to site size. Thus, the subject's 1.2-acre house site has a fair market value of:

SEVENTY-FIVE THOUSAND DOLLARS
(\$75,000.00)

ANALYSIS OF SUBJECT PARCEL NO. 2

Subject Parcel No. 2 contains 8.25 acres, on the south side of Monument Road. The most comparable sales, Sale Nos. 5 through 10 are used in the valuation of this parcel. These sales are further analyzed and compared to the subject below:

Sale No. 6 is located on the north side of Broadway Avenue. It contains 5 acres and sold March 21, 2014 for \$87,000. It is a dry house site that was purchased by a builder, who is improving the property with a single family residence and then will resell the property. It is adjusted as follows:

Sale No.	No. 6
UNADJUSTED SALE PRICE	\$17,400
Improvements	n/a
Condition of Sale	=
Market Conditions	N/A
Financing	=
Location	=
Water Rights/Irrigation	=
Water Frontage	-
Site Size	-
Functional Utility	=
Access	=
Ground Cover	=
Topography	=
Zoning/Future Land Use	+
Utilities	=
Views	=
Overall Adjustment	- \$17,400

This sale requires downward adjustments for water frontage and site size. An upward adjustment is required for zoning and future land use. After adjustments, this sale indicates a unit price of less than \$17,400 per acre.

Sale No. 7 is located southwest of the subject property, and backs to Monument Road. The property sold in December of 2013 for \$188,000. It contains 5.17 acres and is located within Redstone Estates Subdivision with access provided by Red Rim Drive.

This parcel is adjusted as follows:

Sale No.	No.7
UNADJUSTED SALE PRICE	\$36,363
Improvements	n/a
Condition of Sale	=
Market Conditions	N/A
Financing	=
Location	-
Water Rights/Irrigation	=
Water Frontage	=
Site Size	-
Functional Utility	=
Access	=
Ground Cover	=
Topography	=
Zoning/Future Land Use	+
Utilities	-
Views	=
Overall Adjustment	-- \$36,363

This parcel requires downward adjustments for location, site size and utilities. An upward adjustment for future land use/zoning and view is warranted. After adjustments, this sale indicates a price of less than \$36,363 per acre.

Sale No. 8 is located at 2340 Monument Road, and is a house site located just west of the subject on the north side of the Road. The property contains 5.4 acres and sold on February 26, 2014 for \$78,750. It has similar access, frontage, utilities and physical features as the subject. This sale is adjusted as follows:

Sale No.	No.8
UNADJUSTED SALE PRICE	\$14,583
Improvements	n/a
Condition of Sale	=
Market Conditions	N/A
Financing	=
Location	=
Water Rights/Irrigation	=
Water Frontage	=
Site Size	-
Functional Utility	=
Access	=
Ground Cover	=
Topography	=
Zoning/Future Land Use	=
Utilities	=
Views	=
Overall Adjustment	- \$14,583

This sale is the most similar to the Subject Parcel No. 2. It requires only one adjustment, a downward adjustment for site size

as the property contains only 5.4 acres. Thus, the subject 8.25-acre parcel commands a price of less than \$14,583 per acre. Sale No. 9 is located along Red Sand Road, ¼ mile east of Monument Road. It is adjacent west of BLM lands, similar to the subject, however, it is located within a developed subdivision. The property sold in March of 2013 for \$46,667 per acre for a 7.5 acre house site. It is in close proximity to the entrance to the Colorado National Monument, and is compared to the subject as follows:

Sale No.	No.9
UNADJUSTED SALE PRICE	\$46,667
Improvements	n/a
Condition of Sale	=
Market Conditions	N/A
Financing	=
Location	-
Water Rights/Irrigation	=
Water Frontage	=
Site Size	-
Functional Utility	=
Access	=
Ground Cover	=
Topography	=
Zoning/Future Land Use	+
Utilities	-
Views	=
Overall Adjustment	-- \$46,667

This sale requires an upward adjustment for zoning and future land use development. Downward adjustments for location, site size and utilities are warranted. After adjustments, this sale indicates a price of less than \$46,667 per acre for the subject property.

Sale No. 10 is a 13.79 acre property that contains 3 individual parcels similar to the entire subject ownership. All three parcels were purchased at one time, with the intension to develop the property into multi-family and high density subdivision. It is located south of D ½ Road, which is an inferior location to the subject, however the utilities available and extended are superior. This sale, as one purchased property, is compared to the subject's 8.25-acre house site.

It is adjusted as follows:

Sale No.	No.10
UNADJUSTED SALE PRICE	\$10,333
Improvements	n/a
Condition of Sale	=
Market Conditions	N/A
Financing	=
Location	+
Water Rights/Irrigation	=
Water Frontage	=
Site Size	+
Functional Utility	-
Access	=
Ground Cover	=
Topography	=
Zoning/Future Land Use	=
Utilities	-
Views	+
Overall Adjustment	+ \$10,333

This sale requires downward adjustments for functional utility because it is three individual parcels and utilities. Upward adjustments are warranted for location in southeast Grand Junction/Clifton, site size and views. After adjustments, this sale indicates a price of more than \$10,333 per acre for the 8.25-acre house site.

ADJUSTMENT GRID

Sale No.	No.6	No.7	No.8	No.9	No.10
UNADJUSTED SALE PRICE	\$17,400	\$36,363	\$14,583	\$46,667	\$10,333
Improvements	n/a	n/a	n/a	n/a	n/a
Condition of Sale	=	=	=	=	=
Market Conditions	N/A	N/A	N/A	N/A	N/A
Financing	=	=	=	=	=
Location	=	-	=	-	+
Water Rights/Irrigation	=	=	=	=	=
Water Frontage	-	=	=	=	=
Site Size	-	-	-	-	+
Functional Utility	=	=	=	=	-
Access	=	=	=	=	=
Ground Cover	=	=	=	=	=
Topography	=	=	=	=	=
Zoning/Future Land Use	+	+	=	+	=
Utilities	=	-	=	-	-
Views	=	=	=	=	+
Overall Adjustment	- \$17,400	-- \$36,363	- \$14,583	-- \$46,667	+ \$10,333

The sales indicate an unadjusted range of prices from \$10,470 to \$46,667 per acre for Subject Parcel No. 2. The sales are adjusted in comparison to the subject's 8.25-acre site and

indicate a narrower range of prices from more than \$10,333 to less than \$14,785 per acre.

VALUE CONCLUSIONS - SUBJECT PARCEL NO. 2

Subject Parcel No. 2 contains 8.25-acres on the south side of Monument Road. It has the potential to be developed into medium density residential development, however, the current market indicates a Highest and Best Use as one 8.25-acre house site. The sales range from 5.0 to 13.79 acres and vary from house sites within high-end residential subdivisions, to a house site just west of the subject, and a sale that included multiple parcels purchased for residential development.

The low end of the range is supported by Sale No. 10, 13.79 acres within three individual parcels. It is located in an inferior neighborhood, however the three parcels could be sold separately, and the total acreage is larger than the subject parcel. Thus, the subject's 8.25 acres commands a price higher than indicated by this transaction, or more than \$10,333 per acre.

The remaining four sales support the upper end of the range. Sale No. 8 indicates the lowest unit price within this upper range. This is the parcel that is located just west of the subject and has similar physical features, access, road frontage and utilities. This sale requires only one adjustment for site size. Due to the size, the subject commands a price less than indicated by this sale, or \$14,583 per acre.

Based on the previous analysis, Subject Parcel No. 2 commands a price within the established range. It does not command a value at the low end of the range due to the location on the Redlands and proximity to recreational land. However, it does not command a price at the upper end of the range due to the size of the parcel. Thus, it commands a value within the middle of the range or \$12,500 per acre. Applying \$12,500 per acre to Subject Parcel No. 2 indicates a fair market value of \$103,125, rounded to:

**ONE HUNDRED FIVE THOUSAND DOLLARS
(\$105,000.00)

ANALYSIS OF SUBJECT PARCEL NO. 3

Subject Parcel No. 3 contains 38.93 acres and is located on both sides of Monument Road. The most comparable sales, Sale Nos. 10 through 12 and Listing No. 13 are used in the valuation of this parcel. These sales are further analyzed and compared to the subject below:

Sale No. 10 was analyzed in the previous section. It is comprised of three individual house sites and totals 13.79 acres. It is adjusted as follows:

Sale No.	No.10
UNADJUSTED SALE PRICE	\$10,333
Improvements	n/a
Condition of Sale	=
Market Conditions	N/A
Financing	=
Location	+
Water Rights/Irrigation	=
Water Frontage	=
Site Size	-
Functional Utility	-
Access	=
Ground Cover	=
Topography	=
Zoning/Future Land Use	=
Utilities	-
Views	+
Overall Adjustment	-- \$10,333

This sale requires upward adjustments for location in Clifton and views. Downward adjustments for site size and functional utility because it is three individual parcels are warranted. After adjustments, this sale indicates a price of less than \$10,333 per acre for Subject Parcel No. 3.

Sale No. 11 contains 19.55 acres and sold in October of 2013 for \$205,000. This parcel is part of Redstone Estates Subdivision, just southwest of the subject property. It is the largest lot within the subdivision and is adjacent to BLM lands, similar to the subject.

This sale is compared to the subject as follows:

Sale No.	No.11
UNADJUSTED SALE PRICE	\$10,485
Improvements	n/a
Condition of Sale	=
Market Conditions	N/A
Financing	=
Location	-
Water Rights/Irrigation	=
Water Frontage	=
Site Size	-
Functional Utility	=
Access	=
Ground Cover	=
Topography	=
Zoning/Future Land Use	+
Utilities	-
Views	=
Overall Adjustment	-- \$10,485

This sale warrants one upward adjustment for future land use and the potential development of the parcel. Downward adjustments for location within a subdivision, site size and utilities are warranted. After adjustments, this sale indicates a unit price of less than \$10,485 per acre for the subject's 38.93-acre parcel. Sale No. 12 is located south of Loma in Pollack Canyon Subdivision. It sold September 25, 2013 for \$195,000, and contains 35.16 acres. Prior to the purchase, the property was subdivided from a 70-acre house site within the subdivision. The property is more remote than the subject's neighborhood area. This sale is adjusted as follows:

Sale No.	No.12
UNADJUSTED SALE PRICE	\$5,546
Improvements	n/a
Condition of Sale	=
Market Conditions	N/A
Financing	=
Location	-/+
Water Rights/Irrigation	=
Water Frontage	=
Site Size	=
Functional Utility	=
Access	=
Ground Cover	=
Topography	=
Zoning/Future Land Use	+
Utilities	=
Views	=
Overall Adjustment	+ \$5,546

This sale requires a downward adjustment for being located within a subdivision. Upward adjustments for the remote location and future land use are required. After adjustments, this sale

indicates a price of more than \$5,546 per acre for Subject Parcel No. 3.

Sale No. 13 is located 10 miles south of Fruita, on the south side of Broadway. It contains 47.77 acres and sold March 4, 2014 for \$300,000. The property is not within a subdivision and has the zoning and future land use to be developed into 10-acre house sites. The utilities have not been stubbed to the property, but are available along Broadway. It is adjacent to the Colorado National Monument. This sale is adjusted as follows:

Sale No.	No.13
UNADJUSTED SALE PRICE	\$6,280
Improvements	n/a
Condition of Sale	=
Market Conditions	N/A
Financing	=
Location	=
Water Rights/Irrigation	=
Water Frontage	=
Site Size	+
Functional Utility	=
Access	=
Ground Cover	=
Topography	-
Zoning/Future Land Use	+
Utilities	=
Views	=
Overall Adjustment	+ \$6,280

This sale requires two upward adjustments, one for site size and one for future land use/development potential. A downward adjustment is required for topography. This sale indicates a price of slightly more than \$6,280 per acre.

Listing No. 14 is located one-quarter mile northeast of the subject property, along the north side of Monument Road. The property is comprised of three individual parcels containing 0.50 acres, 11.81 acres, and 7.96 acres, for a total of 20.27 acres. The property is listed for \$318,000, or \$15,688 per acre. It has been listed for this price for approximately three months. It has been listed on and off the market for more than 5 years. This property is similar to the subject property in physical features and development potential, however it is less than one-half the size of the subject. The property is within the City limits of Grand Junction and utilities are extended. This listed property, in comparison to the subject Parcel No. 3's 38.93 acres indicates a price of significantly less than \$15,688 per acre.

This listed property can also be used in comparison to the entire 48.38-acre subject property comprised of three individual

parcels. The entire subject, as 48.38 acres, commands a unit price less than indicated by this sale due to the extended utilities, and smaller site size. This is listing in comparison to the entire subject property is further analyzed in a section on the following pages.

ADJUSTMENT GRID

Sale No.	No.10	No.11	No.12	No.13
UNADJUSTED SALE PRICE	\$10,333	\$10,485	\$5,546	\$6,280
Improvements	n/a	n/a	n/a	n/a
Condition of Sale	=	=	=	=
Market Conditions	N/A	N/A	N/A	N/A
Financing	=	=	=	=
Location	+	-	-/+	=
Water Rights/Irrigation	=	=	=	=
Water Frontage	=	=	=	=
Site Size	-	-	=	+
Functional Utility	-	=	=	=
Access	=	=	=	=
Ground Cover	=	=	=	=
Topography	=	=	=	-
Zoning/Future Land Use	=	+	+	+
Utilities	-	-	=	=
Views	+	=	=	=
Overall Adjustment	-- \$10,333	-- \$10,485	+ \$5,546	+ \$6,280

The sales indicate a range of prices prior to adjustments from \$5,546 to \$10,485 per acre. After adjustments, the sales indicate a narrower range from more than \$6,280 to less than \$10,333 per acre.

VALUE CONCLUSIONS - SUBJECT PARCEL NO. 3

The upper end of the range is supported by two sales. Sale No. 10 is comprised of three individual parcels in an inferior neighborhood. Sale No. 11 is a smaller house site located just southwest of the subject with good frontage to BLM lands. Due to the site size of both parcels, the subject commands a price significantly less than these properties.

Sale Nos. 12 and 13 cap the low end of the range. Sale No. 12 is similar in size, but in a more remote location, without the future development potential that the subject has. Sale No. 13 is larger than the subject and located along Broadway, south of Fruita. This parcel is larger than the subject. The subject commands a price slightly higher than indicated by these two sales due to size and location.

Based on the size, topography, location and zoning of the property along with the adjacency to the public lands managed by the City of Grand Junction and BLM lands, the subject commands a

price within the established range. Subject Parcel No. 3 does not command a price at the top of the range due to the size, thus it commands a unit price at the lower end of the range, slightly above \$6,280 per acre.

Thus, it concluded that the subject property commands a unit price of \$6,500 per acre for Subject Parcel No. 3. Applying \$6,500 per acre to the 38.93 acres indicates a fair market value of \$253,045, rounded to:

**TWO HUNDRED FIFTY-FIVE THOUSAND DOLLARS
(\$255,000.00)

RECONCILIATION AND FINAL VALUE CONCLUSIONS

The subject property is comprised of three parcels of varying size, each with the highest and best use as one single family home site. The property has the potential to be further developed, however, at this time it is not the maximally productive use of the property. The values for the individual parcels are established based upon the Sales comparison approach. Thus, the fair market value of the subject property is as follows:

PRESENT MARKET VALUE

1.20 acres	- \$ 75,000
8.25 acres - @ \$12,750/ac	- \$105,000
38.93 acres - @ \$6,500/ac	- \$255,000

ASSUMPTIONS AND LIMITING CONDITIONS

The certification of the Appraiser appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser in the report.

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable. No warranty, however, is given for its accuracy.
5. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.
9. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

10. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

11. The distribution, if any, of the total valuation in this report between land and improvements applies only under that stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

12. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only the proper written qualification and only in its entirety.

13. The appraiser herein by reason of this appraisal is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.

14. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.

15. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea- formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field, if desired.

QUALIFICATIONS OF R. ARNOLD BUTLER, MAI

PROFESSION: Independent Real Estate Appraiser and Real Estate Consultant from 1975 to present. President of Arnie Butler & Company from 1987 to the present. University of Northern Colorado, Bachelor of Science

GRADUATE: - Business Finance.
State of Colorado: Certified General Appraiser CG01313160, Expires 12/31/15

APPRAISAL LICENSES State of Utah: Certified General Appraiser 5479466-CG00, Expires 12/31/14

PROFESSIONAL DESIGNATIONS: MAI - Appraisal Institute
Appraisal Institute; International Right of Way Association, Past President Chapter 70, IR/WA;

MEMBER OF: Grand Junction Board of Realtors, Colorado and National Association of Realtors.

COURSES AND SEMINARS: Uniform Appraisal Standards for Federal Land Acquisitions, 09/27/06, American Society of Farm Managers & Rural Appraisers. Scope of Appraisal, 11/30/06, A.I., Topographical Map and Deed Plotter - Johnson Mapping 09/11/07, Advanced Conservation Easement Analysis, ASFMRA 10/03/08, Business Practice & Ethics-A.I. 10/11/08, USPAP Update - A.I. 12/27/08. Federal Agency Update, 02/13-15/09, IRWA/A.I., Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book) ASFMRA 04/15-17/09. USPAP -7 hour update, A.I, 08/17/09. CCLT Conservation Easement appraisals and issues 03/15-16/10. State of Colorado-DORA, Conservation Easement required update 03/9/11. USPAP 7 Update A.I. 11/27/11. Partial Interest and Conservation Easement Appraisals, ASFMRA 04/30-05/02/12, Conservation Easement analysis and issues, CCLT, 03/11-12/13. Business Practice & Ethics 12/21/13, A.I. USPAP Update, 05/15/14, A.I.

APPRAISAL CLIENTS:

Alpine Banks	Animas Land Conservancy
Bank of Colorado	Colo State Highways -CDOT
Community Banks of Colorado	Centennial Banks
Community Hospital	Great Outdoors Colorado - GOCO
Community 1 st Banks	Paonia State Bank
Tri-County Electric	Mesa County Land Trust
Continental Oil Company	Mesa County Public Works
Denver & Rio Grande -Union Pacific RR	Enstrom's Candies
Exxon, Inc.	First Banks
Bank of America	Kinder Morgan Energy
Gunnison County Ranchland Conservancy	Holiday Inns
Colorado Mesa University	Grand Valley Bank
Grand Junction Housing Authority	Holy Family Foundation
Gunnison Bank & Trust	Bank of the West
U. S. Banks	New York Life Insurance
Olathe State Banks	Occidental Petroleum
Phoenix Federal S & L	Powderhorn Coal Company

Public Service Company/ Xcel Energy	Rocky Mountain Elk Foundation
Black Canyon Land Conservancy	Ducks Unlimited
Rocky Mountain Health Maintenance (RMHMO)	St. Mary's Hospital
Texaco, Inc.	UNC Geotech
Umetco/Union Carbide	Vectra Banks
Weststar Banks	Yampa Valley Land Trust
San Juan Power	Tri-State Power
Wells Fargo	Garfield County Airport
Walker Field Airport	Laramie Energy
Oxy Permian	Grand Valley Power
Gunnison County Electric	Colorado Open Lands
Trust for Public Lands	Various individuals, attorneys, and lending institutions.

CITY

GOVERNMENTS:

COUNTY

GOVERNMENTS:

FEDERAL

GOVERNMENTS:

WORK

LOCATIONS:

Grand Junction, Delta, Montrose, Gunnison, Rifle, Meeker, Rangely, Moab, Glenwood Springs, Palisade, Fruita, Durango, Telluride, and Steamboat Springs.

Mesa, Delta, Montrose, Ouray, San Miguel, San Juan, Gunnison, Garfield, Rio Blanco, Eagle, Routt

Bureau of Reclamation, BLM, State of Colorado, Colorado State Parks, U.S. National Forest Service, Department of Energy, Colorado Division of Wildlife, Colorado State Land Board

All of Western Colorado and Grand County Utah. Including properties in Moffat, Routt, Rio Blanco, Eagle, Garfield, Mesa, Pitkin, Delta, Montrose, Gunnison, Hinsdale, Huerfano, San Miguel, Ouray, San Juan, La Plata, Dolores, Archuleta and Montezuma Counties, Colorado.

Qualified as expert of valuations in Denver, Eagle, Jefferson, Garfield, La Plata, Gunnison, Montrose, Ouray, San Miguel and Mesa County District Courts and Federal Bankruptcy Courts.

QUALIFICATIONS OF KORI S. SATTERFIELD

PROFESSION: Independent Real Estate Appraiser and Real Estate Consultant from 2010 to present. President of Black Diamond Appraisal from 2009 to the present.

GRADUATE: Mesa State College, Bachelor of Arts

APPRAISAL LICENSE: State of Colorado: Licensed Appraiser
100031881, Expires 12/31/16

ASSOCIATE MEMBER OF: Appraisal Institute and American Society of Farm Managers and Rural Appraisers

COURSES AND SEMINARS: Conservation Easement and IRS Regulations - 2/06, Basic Appraisal Principles - 7/10/06, Scope of Work - 10/06, Business Ethics - 2/07, Conservation Excellence - 2/07, Valuation of Small Mixed Use Properties - 2/07, USPAP - 9/07, Conservation Easements and IRS Regulations - Update - 2/08, Residential Market Analysis and Highest and Best Use - 11/08, Conservation Easements - Update - 2/09, Appraiser Site Valuation and Cost Approach 3/09, Residential Sales Comparison Approach 4/09, Residential Report Writing and Case Studies - 4/09, ASFMR: Conservation Easements - 10/09, USPAP - 7 hr Update - 2/10, Conservation Easement - Update - 2/10, HP12C Calculator - 9/10, Appraisal Curriculum Overview - Residential - 9/10, Conservation Easement Update - Division of Real Estate, State of Colorado - 3/11, General Appraiser Highest and Best Use - 10/11, General Appraiser: Sales Comparison Approach - 2/12, USPAP: 7-Hour Update - 4/12, Valuation of Conservation Easements and Other Partial Interests - 5/12, General Appraiser: Site Valuation and Cost Analysis - 8/12, USPAP: 7-Hour Updated - 1/14, General Appraiser Income Approach Part 1 - 2/14

APPRAISAL CLIENTS:

Alpine Bank	Great Outdoors Colorado - GOCO
Aspen Valley Land Trust	Laramie Energy
Rocky Mountain Elk Foundation	Colorado Open Lands
Ducks Unlimited	Garfield County Airport
Mesa Land Conservancy	Grand Valley National Bank
Montrose Bank	Trust for Public Lands
Colorado Cattleman's Land Trust	Delta Montrose Rural Electric Association
Oxy USA	Grand Valley Power
Colorado Open Lands	Black Canyon Land Conservancy
Public Service Company/ Xcel Energy	Bank of the West
National Resource Conservation Service	Delta Montrose Electrical Association
Wells Fargo Bank	Various individuals, attorneys, and lending institutions.
Middle Park Land Trust	

CITY GOVERNMENTS: Grand Junction and Delta.

COUNTY GOVERNMENTS: Mesa and Delta Counties

GOVERNMENTS: Bureau of Reclamation, BLM, State of Colorado, Colorado State Parks and Wildlife, U.S. Forest Service, Colorado Division of Wildlife

WORK LOCATIONS: All of Western Colorado. Including properties in Eagle, Grand, Moffat, Routt, Garfield, Mesa, Delta and Montrose Counties, Colorado.

Abstract & Title Company of Mesa County
605 25 Road, Suite 201
Grand Junction, CO 81505
Phone: 970-242-8234
Fax: 970-241-4925

Transmittal Information

Date: 05/16/2014
File No: 1230CEM
Property Address: 2395 Monument Road, Grand Junction, CO 81507
Buyer/Borrower: Mesa County Land Conservancy, Inc., a Colorado Nonprofit Corporation dba Mesa Land Trust
Seller: Doyle L. Files and Sandra P. Files

For changes and updates please contact your Escrow or Title officer(s):

Escrow Officer:
Diane Hagen
Abstract & Title Company of Mesa County
605 25 Road, Suite 201
Grand Junction, CO 81505
Phone: 970-242-8234
Fax: 970-241-4925
E-Mail: diane@abstracttitle.biz
Processor: Rebecca Mattivi
E-Mail: rebecca@abstracttitle.biz

Title Officer:
Cindy Osborn
Abstract & Title Company of Mesa County
605 25 Road, Suite 201
Grand Junction, CO 81505
Phone: 970-242-8234
Fax: 970-241-4925



There are No requirements appearing in Schedule B-Section 1 which require attention

Copies Sent to:

Buyer:
Mesa County Land Conservancy, Inc., a Colorado
Nonprofit Corporation dba Mesa Land Trust

Seller:
Doyle L. Files and Sandra P. Files
3938 E Grand Road Unit 302
Tucson, AZ 85712

Buyer's Agent:

Buyer's Attorney:
Allan Beezley PC
1928 14th Street #300
Boulder, CO 80302
Phone: 303-440-5867 Fax: 303-539-6530
Email: allan@acbp.com

Seller's Agent:

Seller's Attorney:

Lender:

Phone: Fax:
Attn:
Email:

Mortgage Broker:

Phone: Fax:
Attn:
Email:

Changes: Change of purchase price
Thank you for using Abstract & Title Company of Mesa County



ALTA Commitment Form (6-17-06)
COMMITMENT FOR TITLE INSURANCE

ISSUED BY
**WESTCOR LAND
TITLE INSURANCE COMPANY**

Westcor Land Title Insurance Company, a California corporation ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.

All liability and obligation under this Commitment shall cease and terminate six (6) months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

IN WITNESS WHEREOF, WESTCOR LAND TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed and by these presents to be signed in facsimile under authority of its by-laws, effective as of the date of Commitment shown in Schedule A.

Issued By:

**Abstract & Title Company of Mesa
County**

605 25 Road, Suite 201
Grand Junction, CO 81505
Phone: 970-242-8234

WESTCOR TITLE INSURANCE COMPANY

HOME OFFICE
201 N. New York Avenue, Suite 200
Winter Park, Florida 32789
Telephone: (407) 629-5842



By: Mary O'Connell
President
Attest: Salvina H. Lauer
Secretary

CONDITIONS AND STIPULATIONS

1. The term "mortgage", when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has acquired actual knowledge of any defect, lien encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions, the Conditions and Stipulations and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.

STANDARD EXCEPTIONS

The policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company.

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effect date hereof but prior to the date the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
3. Any discrepancies, conflicts in boundary lines, encroachments, easements, measurements, variations in area or content, party wells and/or other facts which a correct survey and/or a physical inspection of the premises would disclose.
4. Rights or claims of parties in possession not shown in the public records.
5. In the event this Commitment is issued with respect to a construction loan to be disbursed in future periodic installments, then the policy shall contain an additional exception which shall be as follows:

Pending disbursement of the full proceeds of the loan secured by the mortgage insured, this policy only insures the amount actually disbursed, but increases as proceeds are disbursed in good faith and without knowledge of any intervening lien or interest to or for the account of the mortgagor up to the amount of the policy. Such disbursement shall not extend the date of the policy or change any part thereof unless such change is specifically made by written endorsement duly issued on behalf of the Company. Upon request by the Insured (and payment of the proper charges thereof), the Company's agent or approved attorney will search the public records subsequent to the date of the policy and furnish the insured a continuation report showing such matters affecting title to the land as they have appeared in the public records subsequent to the date of the policy or date of the last preceding continuation report, and if such continuation report shows intervening lien, or liens, or interest to or for the account of the mortgagor, then in such event this policy does not increase in liability unless such matters as actually shown on such continuation report are removed from the public records by the insured.

Abstract & Title Company of Mesa County
As agent for
Westcor Land Title Insurance Company

**COMMITMENT FOR TITLE INSURANCE
SCHEDULE A**

1. Effective Date: **May 16, 2014 at 7:00 am**

2. Policy or Policies to be issued:

A. ALTA 2006 OWNER'S POLICY **\$380,000.00**

Proposed Insured: **Mesa County Land Conservancy, Inc., a Colorado Nonprofit Corporation dba Mesa Land Trust**

B. ALTA 2006 LOAN POLICY

Proposed Insured:

<i>Churches/NonProfit-Owners</i>	\$	596.00
<i>Delete Except 1-5(Owner)End</i>	\$	10.00
<i>Tax Certificate</i>	\$	45.00
<i>110.1 Deleting Exceptions End</i>	\$	Included
<hr/>		
Total:	\$	651.00

3. The estate or interest in the land described in this Commitment and covered herein is **Fee Simple** and title thereto is at the effective date hereof vested in:

**Doyle L. Files and Sandra P. Files as Tenants in Common as to Parcel No. 1 and
Doyle Files and Sandra Files as Joint Tenants as to Parcel Nos. 2 and 3**

4. The land referred to in the Commitment is situate in the county of **Mesa**, State of **Colorado** and is described as follows:

SEE ATTACHED EXHIBIT "A"

For Informational Purposes Only: **2395 Monument Road, Grand Junction, CO 81507**

Countersigned
Abstract & Title Company of Mesa County

By: 

Scott Williams

EXHIBIT "A"

PARCEL NO. 1 **2945-291-00-066**

The NE1/4 NE1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian;
EXCEPT tract conveyed to County of Mesa by instrument recorded October 1, 1971
in Book 964 at Page 653 for road purposes.

PARCEL NO. 2 **2945-291-00-123**

A parcel of land being a part of the E1/4 of the NW 1/4 of the
NE 1/4 of Section 29, Township 1 South, Range 1 West of the Ute
Meridian, County of Mesa, State of Colorado and considering the West line of the
NW 1/4 of the NE 1/4 of Section 29 to bear North 00°09'54" West
and all bearings contained herein being relative thereto, being more particularly
described as follows:

Beginning at the SE corner of the E1/4 of said NW1/4 of the NE1/4, being a rebar
with 1 1/2" aluminum cap stamped NE 1/16, PELS 5933, South 89°57'23" West
along the South line of said E1/4 a distance of 330.46 feet to the SW corner of said
E1/4;
thence N 00°09'27" West along the West line of said E1/4 a distance of 1035.75 feet
to the Southerly right-of-way of Monument Road as deeded to the County of Mesa
and recorded in Book 968 at Page 869 in the office of the Mesa County Clerk and
Recorder;
thence along said right-of-way a distance of 337.17 feet along the arc of a nontangent
curve concave Southerly, whence the radius point bears South 18°32'40" East, having
a radius of 5699.58 feet and a central angle of 03°23'22", whose long chord bears
N 73°09'01" East a distance of 337.11 feet;
thence tangent to said curve North 74°50'42" East a distance of 7.87 feet to the East
line of said E1/4;
thence leaving said Southerly right-of-way South 00°09'18" East a distance of 1135.27 feet
to the point of beginning.

PARCEL NO. 3 **2945-291-00-124**

A parcel of land being a part of the E1/4 of the NW1/4 of the NE1/4 of Section 29,
Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of
Colorado, and considering the West line of the NW1/4 of the NE1/4 of Section 29
to bear North 00°09'54" West and all bearings contained herein being relative thereto,
being more particularly described as follows:

Beginning at the Northeast corner of the E1/4 of said NW1/4, being a Mesa County Surveyor
Brass Cap Monument,
thence South 00°09'18" East along the East line of said E1/4 a distance of 109.30 feet to
the Northerly right-of-way of Monument Road as deeded to the County of Mesa and
recorded in Book 968 at Page 869 in the Office of the Mesa County Clerk and Recorder;
thence along said right-of-way line South 74°50'42" West a distance of 23.95 feet;
thence 320.78 feet along the arc of a curve concave Southerly having a radius of 5759.58 feet,

**with a central angle of 03°11'28" whose long chord bears South 73°14'58" West 320.73 feet to the West line of said E1/4;
thence leaving said Northerly right-of-way and along the West line of said E1/4 North 00°09'27" West a distance of 209.33 feet to the Northwest corner of said E1/4;
thence South 89°46'11" East along the North line of said E1/4 a distance of 330.52 feet to the point of beginning.**

Westcor Land Title Insurance Company

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B - SECTION I REQUIREMENTS

Effective Date: **May 16, 2014 at 7:00am**

The following requirements must be met:

- (a) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- (b) Pay us the premium, fees and charges for the policy.
- (c) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded:
- (d) You must tell us in writing the name of anyone not referred to in this document who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions relating to the interest or the loan.
- (e) **Deed from : Doyle L. Files aka Doyle Files and Sandra P. Files aka Sandra Files
to : Mesa County Land Conservancy, Inc., a Colorado Nonprofit Corporation dba Mesa Land Trust**

NOTE: Statement of Authority for Mesa County Land Conservancy, Inc., a Colorado Nonprofit corporation dba Mesa Land Trust recorded July 7, 2011 in Book 5175 at Page 180, Reception No. 2577741 discloses Miriam Blozovich as President, Max D. Sties as Vice-President, Barbara Chamberlin as Secretary and Marvin Sublette as Treasurer, authorized to execute on behalf of said entity which is NOT LIMITED.

Westcor Land Title Insurance Company

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B - SECTION II EXCEPTIONS

Effective Date: **May 16, 2014 at 7:00am**

The Policy or Policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

1. Rights or claims of parties in possession not shown by the Public Records.
2. Easements or claims of easements not shown in the Public Records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the land would disclose, and which are not shown by the public record.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires of record for value the estate or interest or mortgage thereon covered by this Commitment.
6. Unrecorded and unpatented mining claims; unrecorded reservations or exceptions in patents or in Acts authorizing the issuance thereof.
7. Any water rights or claims or title to water, in or under the land, whether or not shown by the public records.
8. Taxes due and payable; and any tax, special assessments, charge or lien imposed for water or sewer service, or for any other special taxing district. Note: Upon verification of payment of all taxes the above exception will be amended to read, "Taxes and assessments for the current year, and subsequent years, a lien not yet due and payable."
9. **Reservation of right of way for any ditches or canals constructed by authority of United States, in U.S. Patent recorded December 10, 1919 in Book 230 at Page 143, Reception No. 156280.**
10. **Terms, agreements, provisions, conditions and obligations as contained in Ordinance No. 3566 recorded September 5, 2003 in Book 3475 at Page 805, Reception No. 2146615.**
11. **Terms, agreements, provisions, conditions and obligations as contained in Resolution No. 79-03 recorded in Book 3475 at Page 807, Reception No. 2146616.**

12. **Terms, agreements, provisions, conditions and obligations as contained in City Resolution No. 87-03, County Resolution No. MCM 2003-139 recorded September 29, 2003 in Book 3495 at Page 113, Reception No. 2150827.**
13. **Reservation of right of proprietor of any penetrating vein or lode to extract his ore, in U.S. Patent recorded June 13, 1910 in Book 163 at Page 14, Reception No. 92300.**
14. **Reservation of right of way for any ditches or canals constructed by authority of United States, in U.S. Patent recorded June 13, 1910 in Book 163 at Page 14, Reception No. 92300.**

NOTE: EXCEPTION NO. 4 WILL NOT APPEAR IN THE OWNERS POLICY TO BE ISSUED HEREUNDER, upon receipt of a signed Final Affidavit and Agreement and Mechanic's Lien Affidavit. Item 3 (e) under Exclusions form Coverage will be deleted from the Owner's Policy to be issued hereunder with the Alta 110.1 Endorsement.

NOTE: If Schedule B of your commitment for an owner's title policy reflects an exception for mineral interests or leases, pursuant to CRS 10-11-123 (HB 01-1088), this is to advise:

- (a) **That there is recorded evidence that a mineral estate has been severed, leased or otherwise conveyed from the surface estate and that there is a substantial likelihood that a third party holds some or all interest in oil, gas, other minerals, or geothermal energy in the property; and**
- (b) **That such a mineral estate may include the right to enter and use the property without the surface owner's permission.**

NOTE: The policy(s) of insurance may contain a clause permitting arbitration of claims at the request of either the Insured or the Company. Upon request, the Company will provide a copy of this clause and the accompanying arbitration rules prior to the closing of the transaction.

Abstract & Title Company of Mesa County

Commitment No. 1230CEM

Disclosures

All documents received for recording or filing in the Clerk and Recorder's office shall contain a top margin of at least one inch and a left, right and bottom margin of at least one-half of an inch. The Clerk and Recorder will refuse to record or file any document that does not conform to the requirements of this section. Pursuant to C.R.S. 30-10-406(3)(a).

The company will not issue its policy or policies of title insurance contemplated by this commitment until it has been provided a Certificate of Taxes due or other equivalent documentation from the County Treasurer or the County Treasurer's authorized agent; or until the Proposed Insured has notified or instructed the company in writing to the contrary. Pursuant to C.R.S. 10-11-122.

No person or entity that provides closing and settlement services for a real estate transaction shall disburse funds as a part of such services until those funds have been received and are available for immediate withdrawals as a matter of right. Pursuant to C.R.S. 38-35-125(2).

The Company hereby notifies the proposed buyer in the current transaction that there may be recorded evidence that the mineral estate, or portion thereof, has been severed, leased, or otherwise conveyed from the surface estate. If so, there is a substantial likelihood that a third party holds some or all interest in the oil, gas, other minerals, or geothermal energy in the subject property. Such mineral estate may include the right to enter and use the property without the surface owner's permission. Pursuant to C.R.S. 10-11-123.

If this transaction includes a sale of property and the sales price exceeds \$100,000.00, the seller must comply with the disclosure/withholding requirements of said section. (Nonresident withholding) Pursuant to C.R.S. 39-22-604.5.

Notice is hereby given that: The subject property may be located in a special taxing district. A Certificate of Taxes due listing each taxing jurisdiction shall be obtained from the County Treasurer or the County Treasurer's authorized agent. Information regarding special districts and the boundaries of such districts may be obtained from the Board of County Commissioners, the County Clerk and Recorder, or the County Assessor. Pursuant to C.R.S. 10-11-122.

Notice is hereby given that: (a) "Gap Protection" – When this Company conducts the closing and is responsible for recording or filing the legal documents resulting from the transaction, the Company shall be responsible for all matters which appear on the record prior to such time or recording or filing; and (b) "Mechanic's Lien Protection" – If you are the buyer of a single family residence, you may request mechanic's lien coverage to be issued on your policy of Insurance. If the property being purchased has not been the subject of construction, improvements or repairs in the last six months prior to the date of this commitment, the requirements will be payment of the appropriate premium and the completion of an Affidavit and Indemnity by the seller. If the property being purchased was constructed, improved or repaired within six months prior to the date of this commitment, the requirements may involve disclosure of certain financial information, payment of premiums, and indemnity, among others. The general requirements stated above are subject to revision and approval by the Company. Pursuant to C.R.S. 10-11-122.

Joint Notice of Privacy Policy

of

Westcor Land Title Insurance Company

and

Abstract & Title Company of Mesa County

Westcor Land Title Insurance Company ("WLTIC") and Abstract & Title Company of Mesa County value their customers and are committed to protecting the privacy of personal information. In keeping with that philosophy, we each have developed a Privacy Policy, set out below, that will endure the continued protection of your nonpublic personal information and inform you about the measures WLTIC and Abstract & Title Company of Mesa County take to safeguard that information. This notice is issued jointly as a means of paperwork reduction and is not intended to create a joint privacy policy. Each company's privacy policy is separately instituted, executed, and maintained.

Who is Covered

We provide our Privacy Policy to each customer when they purchase a WLTIC title insurance policy. Generally, this means that the Privacy Policy is provided to the customer at the closing of the real estate transaction.

Information Collected

In the normal course of business and to provide the necessary services to our customers, we may obtain nonpublic personal information directly from the customer, from customer-related transactions, or from third parties such as our title insurance agent, lenders, appraisers, surveyors and other similar entities.

Access to Information

Access to all nonpublic personal information is limited to those employees who have a need to know in order to perform their jobs. These employees include, but are not limited to, those in departments such as closing, legal, underwriting, claims and administration and accounting.

Information Sharing

Generally, neither WLTIC nor Abstract & Title Company of Mesa County shares nonpublic personal information that it collects with anyone other than those individuals necessary needed to complete the real estate settlement services and issue its title insurance policy as requested by the consumer. WLTIC or Abstract & Title Company of Mesa County may share nonpublic personal information as permitted by law with entities with whom WLTIC or Abstract & Title Company of Mesa County has a joint marketing agreement. Entities with whom WLTIC or Abstract & Title Company of Mesa County have a joint marketing agreement have agreed to protect the privacy of our customer's nonpublic personal information by utilizing similar precautions and security measures as WLTIC and Abstract & Title Company of Mesa County use to protect this information and to use the information for lawful purposes. WLTIC or Abstract & Title Company of Mesa County, however, may share information as required by law in response to a subpoena, to a government regulatory agency or to prevent fraud.

Information Security

WLTIC and Abstract & Title Company of Mesa County, at all times, strive to maintain the confidentiality and integrity of the personal information in its possession and has instituted measures to guard against its unauthorized access. We maintain physical, electronic and procedural safeguards in compliance with federal standards to protect that information.

The WLTIC Privacy Policy can be found on WLTIC's website at www.wltic.com

ISSUED BY
WESTCOR LAND TITLE INSURANCE COMPANY

Westcor

NOTICE TO PROSPECTIVE INSURED OWNER:

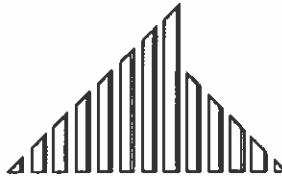
Re: Mechanic's Lien and Gap Protection

This is to advise that Westcor Land Title Insurance Company makes available to its prospective insured owners, in conjunction with their Westcor Land Title Insurance policy covering a single family residence, including a condominium or townhouse unit, protection against mechanic's liens. This protection is not automatic nor given in all cases, but is subject to the Company's underwriting requirements, and does not cover those liens which arise out of work contracted for or entered into at the request of the insured owner.

These underwriting requirements include, but may not be limited to, the following:

1. Receipt by the Company of agreement(s) indemnifying it for any loss resulting from its granting of lien protection, executed by the seller, contractor or others who might have incurred debts which could result in mechanic's liens;
2. Information concerning the solvency and whereabouts of the parties set forth in item No. 1, possibly including financial statements;
3. Evidence of payment of any bills which might have been incurred for work done on the property, depending upon the length of time elapsed since the last work was completed and what remains to be done;
4. In the event of extensive recent construction, whether on all of the improvement upon the property or not, additional items required may include: (a) the Company's review of the owner's and/or builders history relative to construction projects previously completed or presently under construction; (b) review of the construction loan agreement, if applicable; (c) review of any performance or materialmen's bonds concerning this construction, if applicable; (d) payment of the appropriate charge for mechanic's lien protection during construction, if applicable.

This is also to advise that, pursuant to Regulation of the Colorado Insurance Commissioner, every title entity shall be responsible for all matters which appear of record prior to the time of recording, and subsequent to the effective date of the commitment, whenever the title entity conducts the closing and is responsible for recording or filing of legal documents resulting from the transaction which was closed. This does not include those matters created, suffered, assumed or agreed to by the insured. The prospective insured is advised to inquire of the closing entity as to whether it is an office of Westcor Land Title, or is an independent agent which will be the responsible entity relative to the closing only.



**ABSTRACT & TITLE CO.
OF MESA COUNTY, INC.**

605 25 Rd, Suite 201, P.O. Box 3738, Grand Junction, CO 81501 PH 970-242-8234 FAX 970-241-4925

***** **PLEASE NOTE !!!!** *****
ACCOUNT NUMBER HAS CHANGED AS OF 6/6/2012

WIRING INSTRUCTIONS

When wiring funds to **Abstract & Title Company of Mesa County, 605 25 Road, Suite 201, CO 81505**, please provide the following information to the bank that will wire the funds.

Wire Funds To:

**Timberline Bank
633 24 Road
Grand Junction, CO 81505
Phone: (970) 683-5560**

ABA #: 102107063

For final credit of: **Abstract & Title Co. - Trust Electronic
Account No.: 1010023156**

Reference: 1230CEM

Amount to be wired: \$ _____

If there are any questions regarding these instructions, please contact a closing officer or closing assistant at **Abstract & Title Company of Mesa County**.

**Telephone: 970-242-8234
Facsimile: 970-241-4925**

CONTRACT FOR SALE OF REAL ESTATE

(Files Property – Mesa County, Colorado)

THIS CONTRACT FOR SALE OF REAL ESTATE (the "Agreement") is entered into this 7 day of July, 2013, by and between **DOYLE L. FILES** and **SANDRA P. FILES**, as tenants in common as to Parcel 1, **DOYLE FILES** and **SANDRA FILES** as joint tenants as to Parcels 2 and 3, whose address is 3938 E. Grant Rd. #302, Tucson, AZ 85712 (facsimile number: 866-490-5057; email address: filesrsf@gmail.com (collectively, the "Seller") and the **MESA COUNTY LAND CONSERVANCY**, a Colorado nonprofit corporation (d/b/a Mesa Land Trust), 1006 Main Street, Grand Junction, Colorado, 81501 (facsimile number: 970-243-4135; email address: info@mesalandtrust.org) (the "Purchaser"). The following exhibits are attached hereto and made a part of this Agreement:

- Exhibit A - Description of Property
- Exhibit B - Affidavit of Non-foreign Status

RECITALS:

- A. Seller is the owner of 49.45 acres of land, more or less, located in Mesa County, Colorado, which is comprised of the three parcels described on the attached Exhibit A (the "Land").
- B. Seller wishes to sell and Purchaser wishes to purchase the Property on the terms and conditions provided herein.

AGREEMENT:

The Parties agree as follows:

1. **PROPERTY.** Seller agrees to sell and Purchaser agrees to buy, on the terms and conditions set forth in this Agreement, the Land, including, without limitation, any and all buildings, improvements, personalty and fixtures situated thereon, any and all surface or subsurface sand, gravel, oil, gas, or mineral rights, any and all appurtenant or associated water rights, including any and all surface and subsurface water, well, spring, reservoir, storage, domestic, irrigation, subirrigation, livestock water or ditch rights of any type, including all shares or certificates of any type in ditch or water delivery companies or associations, any and all other permits, hereditaments, easements, recorded rights of access, historic rights of access, incidents and appurtenances belonging thereto (collectively, with the "Land", referred to as the "Property").
2. **EARNEST MONEY DEPOSIT.** Within seven (7) business days of the Effective Date of this Agreement Purchaser shall deliver the sum of Ten and

no/100s Dollars (\$10.00) (the "Deposit") in escrow with Abstract & Title Company of Mesa County, 609 25 Road, Suite 201, Grand Junction, CO 81505, telephone (970) 242-8234, facsimile (970) 241-4925 (the "Title Company") as escrow agent to be held in an interest bearing account. The Deposit shall become non-refundable in the event the conditions described herein for the benefit of the Purchaser are satisfied or are waived by the Purchaser, and the Contingencies described in Paragraph 19 are satisfied or are waived by the Purchaser and the Contingencies described in Paragraph 20 are satisfied or waived by the Seller. If and when Closing occurs, the Deposit shall be applied to the Purchase Price of the Property.

3. **PURCHASE PRICE; ADJUSTMENTS; APPRAISALS.** The Purchase Price for the Property shall be (a) Three Hundred Eighty Thousand and No/100s (\$380,000.00) (the "Purchase Price"), subject to the Purchaser's appraisal contingency described in Paragraph 3.1. At Closing, Purchaser shall pay the Purchase Price to the Seller in certified funds, or by wire transfer of federal or other immediately available funds.

3.1. Appraisal. The estimated fair market value of the Property shall be determined by an appraisal ("Appraised Value") to be completed prior to the end of the Inspection Period described herein (the "Property Appraisal"), which Property Appraisal must be approved by the Purchaser in its discretion. The Purchaser's obligation to purchase the Property is contingent upon the Property Appraisal determining that the Appraised Value of the Property is at least equal to the Purchase Price. At the time of Closing Seller shall reimburse to Purchaser the costs of the Property Appraisal; if Closing does not occur then the Purchaser shall be responsible for payment of cost of the Property Appraisal.

3.2. Bargain Sale if Appraised Value Exceeds Purchase Price. If the Appraised Value of the Property is greater than \$380,000, then Seller agrees that the Purchase Price shall be the bargain sale price of \$380,000. In such event, Purchaser acknowledges that it is Seller's intention to effectuate a "bargain sale" of the Property, i.e., a sale to a charitable organization at a price below fair market value wherein the difference is considered a charitable contribution under applicable sections of the Internal Revenue Code. Seller acknowledges that the substantiation of a charitable contribution deduction rests exclusively with Seller except for Purchaser's execution of an accurately, properly and fully prepared Internal Revenue Service Form 8283 which has been signed by Seller and Seller's appraiser, which contains a complete description of the property donated and the value of such donated property and which recites any consideration, goods or services which were received by Seller, including any quid pro quo, from any person or entity for or as a result the sale of the Property.

4. **CLOSING DATE.** The closing of the transaction contemplated hereunder (the "Closing") shall be held at the office of the Title Company on or before fourteen (14) days after the end of the Inspection Period, described below (the "Closing Date").
5. **SATISFACTORY INSPECTION AND REVIEW BY PURCHASER.** The Seller and Purchaser expressly covenant and agree that Purchaser's satisfaction upon the review and inspection provided for herein is a specific condition precedent to the obligation of Purchaser to purchase the Property. Purchaser shall have a period in which to review the documents and to make the inspections described below. The period of inspection (the "Inspection Period"), unless extended as provided herein, shall terminate on the earlier of: (i) Receipt by Seller of notice from Purchaser that the Property is suitable for purchase; or (ii) Midnight, Mountain Time, May 1, 2014, provided that upon written notice given by Purchaser to Seller on or before May 1, 2014, Purchaser, in its discretion, may extend the Inspection Period to August 1, 2014, to allow time for Purchaser to complete its reviews and inspections and obtain funding as provided for herein.
- 5.1. Documents. Not later than ten (10) days after the Effective Date, Seller shall provide, at Seller's expense, to Purchaser: (a) a title commitment issued by the Title Company, together with legible copies of the deed or deeds by which the Seller holds title to the Property, legible copies of any instruments listed in the legal description for the Property, and legible copies of all exceptions to title, pursuant to which the Title Company shall issue to Purchaser a standard coverage owner's policy of title insurance, including "gap" and mechanic's lien coverage, insuring title and access to the Property as of the date of Closing in the amount of the Purchase Price; (b) a Certificate of Taxes Due or other documentation evidencing that all taxes owing on the Property have been paid in full; (c) a copy of the current and previous year's Notice of Assessment, or other satisfactory evidence of the current and previous year's assessed value and assessment category for the Property; and (d) to the extent in Seller's possession, copies of any surveys or maps of the Land, and studies and reports regarding the soils or water on or under the Land.
- 5.2. Due Diligence; Inspection; Right of Entry. Purchaser shall have the right to enter upon the Property at reasonable times for surveying, mapping, physical and environmental inspection, conducting an appraisal and other reasonable purposes related to the transaction contemplated hereunder. Purchaser hereby indemnifies and holds harmless Seller from and against any and all claims, liens, damages, losses, and causes of action which may be asserted by Purchaser or Purchaser's employees, agents, or any third party who enters upon the Property or conducts tests related to the Property at the request of or on behalf of Purchaser or its agents, provided that such indemnification and hold harmless shall not apply to claims arising out of the willful or wanton conduct of Seller.

5.3. Closing Documents. During the Inspection Period the parties shall agree upon the form of the Closing Documents described in Paragraph 7. below, each in their reasonable discretion.

6. **ELECTION AT THE END OF THE INSPECTION PERIOD.** During the Inspection Period and prior to Closing, Purchaser may make the above-described physical and environmental inspections, applications, reviews, review of title, studies, appraisals, evaluations or surveys required to satisfy itself as to the acceptability and suitability of the Property and the availability of funding (collectively, the "**Condition of Property**") for purchase. Should, for any or no reason and in its sole discretion, Purchaser not be satisfied that the Property is acceptable or suitable, Purchaser shall notify Seller in writing on or before the expiration of the Inspection Period of its dissatisfaction, at which time this Agreement shall be considered null and void and of no further force and effect and the Deposit shall be promptly returned to Purchaser; provided, however, if the objections of Purchaser are to title or other defects which Seller can reasonably cure within a twenty (20) day period following the receipt of notice from Purchaser, Seller shall have such period to cure such defects to the reasonable satisfaction of Purchaser. Purchaser shall, at any time, have the right to waive the conditions precedent to its performance under this Agreement before the end of the Inspection Period and if Purchaser elects to waive the conditions precedent to its performance and to terminate the Inspection Period, this Agreement will remain in full force and effect and the Deposit shall become non-refundable except as otherwise provided herein. Failure of Purchaser to notify Seller of its dissatisfaction prior to the expiration of the Inspection Period shall be deemed a waiver of this condition precedent and acceptance of the Property as suitable for purchase, as required above.
7. **CLOSING DOCUMENTS.** At Closing, Seller shall execute and deliver to Purchaser or its assigns a good and sufficient general warranty deed in a form acceptable to Purchaser, conveying good marketable and insurable title to the Property, including access to the Property, free and clear of all liens, encumbrances and other exceptions, except such easements, restrictions and other exceptions as are of record and are approved by Purchaser during the Inspection Period.
8. **CONDITION OF THE PROPERTY, SELLER REPRESENTATIONS.** As of the date of this Agreement and as of the date of Closing, Seller warrants and represents the following:
- 8.1. Seller is the record owner of the Property, including specifically, without limitation, the sand, gravel and minerals, to be conveyed hereunder. Upon the Closing Date, Purchaser will have good and marketable title to the Property, including insurable access to all portions of the Property,

- 8.2. There are no actions, suits, proceedings or investigations pending or, to Seller's knowledge threatened, against or affecting the Property, or arising out of Seller's conduct on the Property or which would affect the ability of the Seller to fulfill its obligations under this Agreement. Seller shall provide copies of any notices, actions, suits, proceedings, investigations of any type affecting the Property, including, without limitation, any notices affecting the taxation, assessment, assessment classification, zoning, or permitted uses of the Property received at any time prior to or after closing.
- 8.3. To the best of Seller's knowledge, Seller is in compliance with the laws, orders, and regulations of each governmental department, commission, board, or agency having jurisdiction over the Property in those cases where noncompliance would have a material adverse effect on the Property.
- 8.4. Other than this Agreement, Seller is not party to nor subject to or bound by any agreement, contract or lease of any kind relating to the Property. There are no rights of possession to the Property or options or rights of first refusal in third parties, nor rights of access across the Property by third parties.
- 8.5. To the best of Seller's knowledge, the Property is not in violation of any federal, state or local law, ordinance or regulation relating to environmental conditions on, under or about the Property, including, but not limited to, soil and groundwater conditions. Neither Seller, nor to the best of Seller's knowledge any third party, has used, generated, manufactured, refined, produced, processed, stored or disposed of on, or under the Property or transported to or from the Property any Hazardous Materials nor does Seller intend to use the Property prior to closing date for the purpose of generating manufacturing, refining, producing, storing, handling, transferring, processing or transporting Hazardous Materials. For the purposes hereof, "Hazardous Materials" shall mean any flammable explosives, radioactive materials, asbestos, petroleum, petroleum products, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances or related materials, including, without limitation, any substances defined as or included in the definition of "hazardous substances", "hazardous material" or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sec. 9601, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Sec. 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6901 et seq., or any other federal, state or local statute, law, ordinance, code, rule, regulation, order, decree or other requirement of governmental authority regulating, relating to or imposing liability or standard of conduct concerning any hazardous, toxic or dangerous substance or material, as now or at any time hereafter

in effect, and in the regulations adopted, published and/or promulgated pursuant to said laws and any materials or substances including petroleum products as defined in ASTM Standard E 1527-05. To the best of Seller's knowledge there are no underground storage tanks situated in the Property; to the best of Seller's knowledge no such tanks been previously situated thereon.

8.6. No representation, warranty, or statement made herein by Seller contains any untrue statement of any material fact or omits to state any material fact necessary in order to make such representation, warranty, or statement not misleading.

8.7. Seller is duly authorized and has taken all necessary actions to execute and perform this Agreement and this Agreement is enforceable against Seller in accordance with its terms.

9. PURCHASER REPRESENTATIONS.

9.1. Purchaser is duly authorized and has taken all necessary actions to execute and perform this Agreement and this Agreement is enforceable against Purchaser in accordance with its terms.

9.2. Purchaser will make good faith efforts to obtain commitments for funding sufficient to complete this transaction, and believes such funding will be available, subject to the review and approval by the Funders (described in Paragraph 18, herein), each in their sole discretion, of the Condition of Property, the terms of any conservation easement that may encumber the Property, and the other requirements of each Funder for providing funding for this transaction.

10. CONDITION OF PROPERTY, LIABILITY. Seller has made certain representations and warranties concerning the Property and its condition. During the Inspection Period the Purchaser has the right to inspect the condition of the Property. However, without regard to any inspections made by the Purchaser, nothing in this contract shall relieve either party of liability for misrepresentation, breach of warranty or failure to reasonably inspect the condition of the Property.

11. TAXES. Seller shall pay all general and special taxes, assessments, fees and charges of any type (including without limitation, any for water, sewer, irrigation and special districts), for the Property for the current year and all years prior to Closing. At Closing real property taxes and assessments and other taxes and assessments shall be prorated as of the date of Closing based on the most recent ascertainable tax bill or the current assessment of the Property.

12. PRESERVATION OF PROPERTY; RISK OF LOSS. Except as otherwise set forth herein, Seller agrees that the Property shall remain as it now is until Closing.

that no timber, crops, sand, gravel, minerals, improvements or any other part of the Property shall be sold or removed from the Property, and that Seller agrees that it shall neither use nor consent to any use of the Property for any purpose or in any manner which would adversely affect Purchaser's intended use of the Property as a conservation area or similar use. In the event that Seller shall use or consent to such use of the Property, Purchaser may, without liability, refuse to accept the conveyance of title, in which event the Deposit plus all accrued interest shall be refunded; or alternatively it may elect to accept the conveyance of title to the Property with a price adjustment for the change in circumstances, and/or maintain an action against the Seller for damages.

13. **COSTS AND FEES.** Closing fees shall be paid equally by the Parties. The premium for the title insurance policy for the Property described above shall be paid by Seller. Per page recording costs for the deed to Purchaser and any documentary fees, shall be paid by Purchaser; all other recording costs and documentary fees shall be paid by Seller.

14. **SPECIFIC PERFORMANCE, DAMAGES; DEFAULT.**

14.1. Seller's Remedies. If Purchaser shall fail to consummate the transaction contemplated hereunder for any reason, or if such transaction shall fail to close for any reason other than default by Seller, Seller may elect, at Seller's sole option: (i) To terminate this Agreement and be released from its obligations hereunder, in which event the Deposit shall be returned to Purchaser; or (ii) To proceed against Purchaser for specific performance of this Agreement. In either event, and in the event of any other violation of the terms of this Agreement, Seller shall have the right to seek and recover from Purchaser all damages suffered by Seller as a result of Purchaser's default in the performance of its obligations hereunder

14.2. Purchaser's Remedies. If Seller shall fail to consummate the transaction contemplated hereunder for any reason, or if such transaction shall fail to close for any reason other than default by Purchaser, Purchaser may elect, at Purchaser's sole option: (i) To terminate this Agreement and be released from its obligations hereunder, in which event the Deposit shall be returned to Purchaser; or (ii) To proceed against Seller for specific performance of this Agreement. In either event, and in the event of any other violation of the terms of this Agreement, Purchaser shall have the right to seek and recover from Seller all damages suffered by Purchaser as a result of Seller's default in the performance of its obligations hereunder.

15. **NOTICES.** All notices required or permitted hereunder will be deemed to have been delivered upon sending of such notice. All notices required or permitted hereunder shall be given by hand delivery, or sent by telecopier or email, or sent by Federal Express or other courier for delivery at the soonest possible time offered by such courier, directed as follows:

If to Seller:

at the address, fax number or email address shown above

If to Purchaser:

at the address, fax number or email address shown above

16. MISCELLANEOUS.

16.1. Broker's Commission. Seller and Purchaser each represents to the other that they have not contracted with any broker or finder with regard to this transaction. Each party agrees to indemnify, defend and hold harmless the other from and against any and all liability, claims, demands, damages and costs of any kind arising out of or in connection with any broker's or finder's fee, commission or charges claimed to be due any person in connection with such person's conduct respecting this transaction except as set forth herein.

16.2. Certificate. Mesa Land Trust is an organization described in Section 501(c)(3) of the Internal Revenue Code and as such it is required to file certain reports pertaining to the purchase or sale of the Property with the Internal Revenue Service. Seller represents that its federal tax identification or social security number is _____, and authorizes the Title Company to release to Purchaser any tax identification or transaction information as is requested by Purchaser for such reporting. At or prior to Closing, Seller shall furnish to Purchaser a duly executed Certificate of Non-Foreign Status in the form attached to this Agreement as Exhibit "B". Seller hereby declares and represents to Purchaser that it is not a "foreign person" for purposes of withholding of federal tax as described in such Certificate.

16.3. Assigns. Purchaser may assign this contract in whole or in part, and its rights as Purchaser hereunder including those to the Deposit by written assignment to a governmental entity, or an organization described under Section 501(c)(3) of the Internal Revenue Code ("Assignee") wherein the Assignee assumes the obligations of Purchaser hereunder. Purchaser may require that the Property be directly deeded by the Seller to the City of Grand Junction or to the Assignee.

16.4. Binding Effect. The terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the Parties' heirs, executors, administrators, successors and assigns.

16.5. Exhibits. The exhibits hereto constitute an integral part of this Agreement and are hereby incorporated herein.

16.6. Counterparts; Facsimile Signatures. This Agreement may be executed in

- counterparts, all of which shall constitute one agreement which shall be binding on all of the Parties, notwithstanding that all of the Parties are not signatories to the original or the same counterpart. Signatures may be evidenced by facsimile transmission and at the request of any party documents with original signatures shall be provided to the other party.
- 16.7. Severability. If any provision of this Agreement shall be held invalid, the other provisions hereof shall not be affected thereby and shall remain in full force and effect.
- 16.8. Entire Agreement. This Agreement represents the entire agreement of the Parties and may not be amended except by a writing signed by each party thereto.
- 16.9. Authority. Each party to this Agreement warrants to the other that the respective signatories have full right and authority to enter into and consummate this Agreement and all related documents.
- 16.10. Merger. The obligations, covenants, representations, warranties and remedies set forth in this Agreement shall not merge with transfer of title but shall survive the Closing.
- 16.11. Further Actions. Each party shall execute and deliver or cause to be executed and delivered any and all instruments reasonably required to convey the Property to Purchaser and to vest in each party all rights, interests and benefits intended to be conferred by this Agreement. In the event of termination of this Agreement by Purchaser, as provided herein, Seller shall promptly execute such documents as are reasonably required by the Title Company and by the Purchaser for return of the Deposit to Purchaser.
- 16.12. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. Venue for resolution of any dispute shall be Mesa County, Colorado.
- 16.13. Offer. When signed and delivered to the Seller by Purchaser, this Agreement will constitute an offer to the Seller that can be accepted only by the Seller signing and delivering to Purchaser an executed original of this Agreement on or before (but not after) July 31, 2013. Purchaser may withdraw such offer in writing at any time prior to its acceptance.
- 16.14. Labor and Material. Seller shall deliver to Purchaser at Closing an affidavit, on a form acceptable to the Title Company and to Purchaser's lender, if applicable, signed by Seller that no labor or materials have been furnished to the Property within the statutory period for the filing of mechanics' or materialmen's liens against the Property. If labor or materials have been furnished during the statutory period, Seller shall deliver to the Title Company and to Purchaser an affidavit signed by Seller and the person or persons furnishing the labor or materials that the costs thereof have been paid.

- 16.15. 1099 Reporting. The Title Company is designated as the party responsible for filing a Form 1099 with the Internal Revenue Service promptly after Closing, to the extent required by the Internal Revenue Code and Treasury Regulations.
- 16.16. Attorney Fees. In the event of arbitration or litigation arising out of this Agreement, the arbitrator or court shall award to the prevailing party all reasonable costs and expenses, including attorney fees.
17. **SATURDAYS, SUNDAYS, HOLIDAYS**. If the final date of any time period of limitation set out in any provision of this agreement falls on a Saturday, Sunday or a legal holiday under the laws of the state of Colorado, then the time of such period shall be extended to the next day which is not a Saturday, Sunday or legal holiday.
18. **PURCHASER'S CONTINGENCIES**. Specific contingencies to Purchaser's obligation to perform hereunder are (1) the Purchaser being satisfied with the Condition of the Property, and that the Property has an appraised fair market at least equal to the Purchase Price, as determined by Purchaser in its sole discretion, prior to the end of the Inspection Period; (2) Purchaser receiving approval of this transaction and funding from its funders (the "Funders"), as determined by Purchaser, in its sole discretion, at any time prior to Closing; and (3) there being no unacceptable change in the Condition of Property after the end of the Inspection Period and prior to Closing, as determined by Purchaser and Funders each in their discretion. If any such contingency is not met or waived by the Purchaser, without regard to whether the Purchaser has otherwise accepted the condition of the Property, then this Contract shall be null and void, and the Deposit shall be returned to the Purchaser.
19. **EFFECTIVE DATE**. The Effective Date of this Agreement shall be the last date signed by either party.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

SELLER

DOYLE FILES

Doyle Files
Doyle Files

Date: 7/9/2013

SANDRA FILES

Sandra Files
Sandra Files

Date: 7/9/2013

PURCHASER

Mesa County Land Conservancy, d/b/a MESA LAND TRUST
a Colorado non-profit corporation

By: Max D. Stites

Title: President

Date: 7/17/13

EXHIBIT "A"
DESCRIPTION OF PROPERTY
(Page 1 of 2)

PARCEL NO. 1

2945-291-00-066

The NE 1/4 NE 1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian;
EXCEPT tract conveyed to County of Mesa by instrument recorded October 1, 1971 in Book 964
at Page 653 for road purposes.

PARCEL NO. 2

2945-291-00-123

A parcel of land being a part of the E 1/4 of the NW 1/4 of the NE 1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado and considering the West line of the NW 1/4 of the NE 1/4 of Section 29 to bear North 00°09'54" West and all bearings contained herein being relative thereto, being more particularly described as follows:

Beginning at the SE corner of the E 1/4 of said NW 1/4 of the NE 1/4, being a rebar with 1-1/2" aluminum cap stamped NE 1/16, PELS 5933, South 89°57'23" West along the South line of said E 1/4 a distance of 330.46 feet to the SW corner of said E 1/4;

thence N 00°09'27" West along the West line of said E 1/4 a distance of 1035.75 feet to the Southerly right-of-way of Monument Road as deduced to the County of Mesa and recorded in Book 968 at Page 869 in the office of the Mesa County Clerk and Recorder;

thence along said right-of-way a distance of 337.17 feet along the arc of a non-tangent curve concave Southerly, whence the radius point bears South 18°32'40" East, having a radius of 5699.58 feet and a central angle of 03°23'22", whose long chord bears N 73°09'01" East a distance of 337.11 feet;

thence tangent to said curve North 74°50'42" East a distance of 7.87 feet to the East line of said E 1/4;

thence leaving said Southerly right-of-way South 00°09'18" East a distance of 1135.27 feet to the point of beginning.

EXHIBIT A
(Page 2 of 2)

PARCEL NO. 3

2945-291-00-124

A parcel of land being a part of the E1/4 of the NW1/4 of the NE1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado, and considering the West line of the NW1/4 of the NE 1/4 of Section 29 to bear North 00°09'54" West and all bearings contained herein being relative thereto, being more particularly described as follows:

Beginning at the Northeast corner of the E1/4 of said NW1/4, being a Mesa County Surveyor Brass Cap Monument.

thence South 00°09'18" East along the East line of said E1/4 a distance of 109.30 feet to the Northerly right-of-way of Monument Road as deeded to the County of Mesa and recorded in Book 968 at Page 869 in the Office of the Mesa County Clerk and Recorder;

thence along said right-of-way line South 74°50'42" West a distance of 23.95 feet;

thence 320.78 feet along the arc of a curve concave Southerly having a radius of 5759.58 feet, with a central angle of 03°11'28" whose long chord bears South 73°14'58" West 320.73 feet to the West line of said E1/4;

thence leaving said Northerly right-of-way and along the West line of said E1/4 North 00°09'27" West a distance of 209.33 feet to the Northwest corner of said E1/4;

thence South 89°46'11" East along the North line of said E1/4 a distance of 330.52 feet to the point of beginning.

AMENDMENT TO CONTRACT FOR SALE OF REAL ESTATE

(Files Property – Mesa Land Trust)

THIS AMENDMENT TO CONTRACT FOR SALE OF REAL ESTATE (the "Amendment") is entered into this 30 day of August, 2013, by and between **DOYLE L. FILES** and **SANDRA P. FILES**, as tenants in common as to Parcel 1, and **DOYLE FILES** and **SANDRA FILES** as joint tenants as to Parcels 2 and 3, whose address is 3938 E. Grant Rd. #302, Tucson, AZ 85712 (facsimile number: 866-490-5057; email address: filesrsf@gmail.com (collectively, the "Seller"), and **MESA COUNTY LAND CONSERVANCY INC.**, a Colorado nonprofit corporation (d/b/a Mesa Land Trust), 1006 Main Street, Grand Junction, Colorado, 81501 (facsimile number: 970-243-4135) (the "Purchaser").

RECITALS:

- A. The parties entered into a Contract for Sale of Real Estate the Effective Date of which is July 17, 2013 (the "Contract").
- B. The parties wish to amend the Contract to add an additional paragraph concerning the Seller's intent to effectuate a like-kind Exchange under Section 1031 of the Internal Revenue Code.

AGREEMENT:

Now, therefore, the parties agree that the Contract is amended as follows:

- 1. The following paragraph is added to the Contract as Paragraph 20.

Paragraph 20. 1031 EXCHANGE. The Purchaser agrees to cooperate with the Seller in an exchange under Section 1031 of the Internal Revenue Code, provided that Purchaser shall incur no delay, nor additional liability, cost or expense and provided further that the Purchaser shall have no liability to the Seller for failure of the exchange to qualify under the Internal Revenue Code and Treasury Regulations.

- 2. Complete Agreement. Except as modified herein, all the terms and conditions of the Contract shall remain in full force and effect. In the event of conflict between the terms of the Contract and this Amendment, the terms of the Amendment shall control.

SELLER

DOYLE L. FILES

Doyle L. Files
Doyle L. Files, a/k/a Doyle Files

Date: 8/30/2013

SANDRA P. FILES

Sandra P. Files
Sandra P. Files, a/k/a Sandra Files

Date: 8/30/2013

PURCHASER:

Mesa County Land Conservancy Inc., d/b/a Mesa Land Trust
a Colorado non-profit corporation

By: [Signature]

Title: Executive Director

Date: 10/4/13

CONTRACT FOR SALE OF REAL ESTATE

(Meens Property – Mesa County, Colorado)

THIS CONTRACT FOR SALE OF REAL ESTATE (the "Agreement") is entered into this 11 day of November, 2013, by and between **ROBERT F MEENS** and **JACQUELINE L MEENS**, as tenants in common as to Parcel 2945-211-00-072, whose address is 361 S. Redlands Road, Grand Junction, CO 81507; (facsimile number: NA; email address: NA (collectively, the "Seller") and the **MESA COUNTY LAND CONSERVANCY**, a Colorado nonprofit corporation (d/b/a Mesa Land Trust), 1006 Main Street, Grand Junction, Colorado, 81501 (facsimile number: 970-243-4135; email address: info@mesalandtrust.org) (the "Purchaser"). The following exhibits are attached hereto and made a part of this Agreement:

- Exhibit A - Description of Property
- Exhibit B - Affidavit of Non-foreign Status

RECITALS:

- A. Seller is the owner of 13.72 acres of land, more or less, located in Mesa County, Colorado, as shown on the map attached as Exhibit A (known as Meens Property Site Map). A metes and bounds description will be substituted when the survey is completed prior to closing. Seller shall have no responsibility for survey costs.
- B. Seller wishes to sell and Purchaser wishes to purchase the Property on the terms and conditions provided herein.

AGREEMENT:

The Parties agree as follows:

1. **PROPERTY.** Seller agrees to sell and Purchaser agrees to buy, on the terms and conditions set forth in this Agreement, the Land, including, without limitation, any and all buildings, improvements, personalty and fixtures situated thereon, any and all surface or subsurface sand, gravel, oil, gas, or mineral rights, any and all appurtenant or associated water rights, including any and all surface and subsurface water, well, spring, reservoir, storage, domestic, irrigation, subirrigation, livestock water or ditch rights of any type, including all shares or certificates of any type in ditch or water delivery companies or associations, any and all other permits, hereditaments, easements, recorded rights of access, historic rights of access, incidents and appurtenances belonging thereto (collectively, with the "Land", referred to as the "Property").
2. **EARNEST MONEY DEPOSIT.** Within seven (7) business days of the Effective Date of this Agreement Purchaser shall deliver the sum of Ten and

no/100s Dollars (\$10.00) (the "Deposit") in escrow with Abstract & Title Company of Mesa County, 609 25 Road, Suite 201, Grand Junction, CO 81505, telephone (970) 242-8234, facsimile (970) 241-4925 (the "Title Company") as escrow agent to be held in an interest bearing account. The Deposit shall become non-refundable in the event the conditions described herein for the benefit of the Purchaser are satisfied or are waived by the Purchaser, and the Contingencies described in Paragraph 8 are satisfied or are waived by the Purchaser. If and when Closing occurs, the Deposit shall be applied to the Purchase Price of the Property.

3. **PURCHASE PRICE; ADJUSTMENTS; APPRAISALS.** The Purchase Price for the Property shall be (a) two hundred five thousand, eight hundred and No/100s dollars, (\$205,800) (the "Purchase Price"), subject to the Purchaser's appraisal contingency described in Paragraph 3.1. At Closing, Purchaser shall pay the Purchase Price to the Seller in certified funds, or by wire transfer of federal or other immediately available funds.

3.1. Appraisal. The estimated fair market value of the Property shall be determined by an appraisal ("Appraised Value") to be completed prior to the end of the Inspection Period described herein (the "Property Appraisal"), which Property Appraisal must be approved by the Purchaser in its discretion. The Purchaser's obligation to purchase the Property is contingent upon the Property Appraisal determining that the Appraised Value of the Property is at least equal to the Purchase Price. At the time of Closing Seller shall reimburse to Purchaser the costs of the Property Appraisal; if Closing does not occur then the Purchaser shall be responsible for payment of cost of the Property Appraisal.

3.2. Bargain Sale if Appraised Value Exceeds Purchase Price. If the Appraised Value of the Property is greater than \$205,800, then Seller agrees that the Purchase Price shall be the bargain sale price of \$205,800. In such event, Purchaser acknowledges that it is Seller's intention to effectuate a "bargain sale" of the Property, i.e., a sale to a charitable organization at a price below fair market value wherein the difference is considered a charitable contribution under applicable sections of the Internal Revenue Code. Seller acknowledges that the substantiation of a charitable contribution deduction rests exclusively with Seller except for Purchaser's execution of an accurately, properly and fully prepared Internal Revenue Service Form 8283 which has been signed by Seller and Seller's appraiser, which contains a complete description of the property donated and the value of such donated property and which recites any consideration, goods or services which were received by Seller, including any quid pro quo, from any person or entity for or as a result the sale of the Property.

4. **CLOSING DATE.** The closing of the transaction contemplated hereunder (the "Closing") shall be held at the office of the Title Company on or before fourteen (14) days after the end of the Inspection Period, described below (the "Closing Date").

5. **SATISFACTORY INSPECTION AND REVIEW BY PURCHASER.** The Seller and Purchaser expressly covenant and agree that Purchaser's satisfaction upon the review and inspection provided for herein is a specific condition precedent to the obligation of Purchaser to purchase the Property. Purchaser shall have a period in which to review the documents and to make the inspections described below. The period of inspection (the "Inspection Period"), unless extended as provided herein, shall terminate on the earlier of: (i) Receipt by Seller of notice from Purchaser that the Property is suitable for purchase; or (ii) Midnight, Mountain Time, May 1, 2014, provided that upon written notice given by Purchaser to Seller on or before May 1, 2014, Purchaser, in its discretion, may extend the Inspection Period to August 1, 2014, to allow time for Purchaser to complete its reviews and inspections and obtain funding as provided for herein.
 - 5.1. **Documents.** Not later than ten (10) days after the Effective Date, Seller shall provide, at Seller's expense, to Purchaser: (a) a title commitment issued by the Title Company, together with legible copies of the deed or deeds by which the Seller holds title to the Property, legible copies of any instruments listed in the legal description for the Property, and legible copies of all exceptions to title, pursuant to which the Title Company shall issue to Purchaser a standard coverage owner's policy of title insurance, including "gap" and mechanic's lien coverage, insuring title and access to the Property as of the date of Closing in the amount of the Purchase Price; (b) a Certificate of Taxes Due or other documentation evidencing that all taxes owing on the Property have been paid in full; (c) a copy of the current and previous year's Notice of Assessment, or other satisfactory evidence of the current and previous year's assessed value and assessment category for the Property; and (d) to the extent in Seller's possession, copies of any surveys or maps of the Land, and studies and reports regarding the soils or water on or under the Land.

 - 5.2. **Due Diligence; Inspection; Right of Entry.** Purchaser shall have the right to enter upon the Property at reasonable times for surveying, mapping, physical and environmental inspection, conducting an appraisal and other reasonable purposes related to the transaction contemplated hereunder. Purchaser hereby indemnifies and holds harmless Seller from and against any and all claims, liens, damages, losses, and causes of action which may be asserted by Purchaser or Purchaser's employees, agents, or any third party who enters upon the Property or conducts tests related to the Property at the request of or on behalf of Purchaser or its agents, provided that such indemnification and hold harmless shall not apply to claims arising out of the willful or wanton conduct of Seller.

5.3. **Closing Documents.** During the Inspection Period the parties shall agree upon the form of the Closing Documents described in Paragraph 7, below, each in their reasonable discretion.

6. **ELECTION AT THE END OF THE INSPECTION PERIOD.** During the Inspection Period and prior to Closing, Purchaser may make the above-described physical and environmental inspections, applications, reviews, review of title, studies, appraisals, evaluations or surveys required to satisfy itself as to the acceptability and suitability of the Property and the availability of funding (collectively, the "Condition of Property") for purchase. Should, for any or no reason and in its sole discretion, Purchaser not be satisfied that the Property is acceptable or suitable, Purchaser shall notify Seller in writing on or before the expiration of the Inspection Period of its dissatisfaction, at which time this Agreement shall be considered null and void and of no further force and effect and the Deposit shall be promptly returned to Purchaser; provided, however, if the objections of Purchaser are to title or other defects which Seller can reasonably cure within a twenty (20) day period following the receipt of notice from Purchaser, Seller shall have such period to cure such defects to the reasonable satisfaction of Purchaser. Purchaser shall, at any time, have the right to waive the conditions precedent to its performance under this Agreement before the end of the Inspection Period and if Purchaser elects to waive the conditions precedent to its performance and to terminate the Inspection Period, this Agreement will remain in full force and effect and the Deposit shall become non-refundable except as otherwise provided herein. Failure of Purchaser to notify Seller of its dissatisfaction prior to the expiration of the Inspection Period shall be deemed a waiver of this condition precedent and acceptance of the Property as suitable for purchase, as required above.
7. **CLOSING DOCUMENTS.** At Closing, Seller shall execute and deliver to Purchaser or its assigns a good and sufficient general warranty deed in a form acceptable to Purchaser, conveying good marketable and insurable title to the Property, including access to the Property, free and clear of all liens, encumbrances and other exceptions, except such easements, restrictions and other exceptions as are of record and are approved by Purchaser during the Inspection Period.
8. **CONDITION OF THE PROPERTY, SELLER REPRESENTATIONS.** As of the date of this Agreement and as of the date of Closing, Seller warrants and represents the following:
- 8.1. Seller is the record owner of the Property, including specifically, without limitation, the sand, gravel and minerals, to be conveyed hereunder. Upon the Closing Date, Purchaser will have good and marketable title to the Property, including insurable access to all portions of the Property.

- 8.2. There are no actions, suits, proceedings or investigations pending or, to Seller's knowledge threatened, against or affecting the Property, or arising out of Seller's conduct on the Property or which would affect the ability of the Seller to fulfill its obligations under this Agreement. Seller shall provide copies of any notices, actions, suits, proceedings, investigations of any type affecting the Property, including, without limitation, any notices affecting the taxation, assessment, assessment classification, zoning, or permitted uses of the Property received at any time prior to or after closing.
- 8.3. To the best of Seller's knowledge, Seller is in compliance with the laws, orders, and regulations of each governmental department, commission, board, or agency having jurisdiction over the Property in those cases where noncompliance would have a material adverse effect on the Property.
- 8.4. Other than this Agreement, Seller is not party to nor subject to or bound by any agreement, contract or lease of any kind relating to the Property. There are no rights of possession to the Property or options or rights of first refusal in third parties, nor rights of access across the Property by third parties.
- 8.5. To the best of Seller's knowledge, the Property is not in violation of any federal, state or local law, ordinance or regulation relating to environmental conditions on, under or about the Property, including, but not limited to, soil and groundwater conditions. Neither Seller, nor to the best of Seller's knowledge any third party, has used, generated, manufactured, refined, produced, processed, stored or disposed of on, or under the Property or transported to or from the Property any Hazardous Materials nor does Seller intend to use the Property prior to closing date for the purpose of generating manufacturing, refining, producing, storing, handling, transferring, processing or transporting Hazardous Materials. For the purposes hereof, "Hazardous Materials" shall mean any flammable explosives, radioactive materials, asbestos, petroleum, petroleum products, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances or related materials, including, without limitation, any substances defined as or included in the definition of "hazardous substances", "hazardous material" or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sec. 9601, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Sec. 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6901 et seq., or any other federal, state or local statute, law, ordinance, code, rule, regulation, order, decree or other requirement of governmental authority regulating, relating to or imposing liability or standard of conduct concerning any hazardous, toxic or dangerous substance or material, as now or at any time hereafter

in effect, and in the regulations adopted, published and/or promulgated pursuant to said laws and any materials or substances including petroleum products as defined in ASTM Standard E 1527-05. To the best of Seller's knowledge there are no underground storage tanks situated in the Property; to the best of Seller's knowledge no such tanks been previously situated thereon.

8.6. No representation, warranty, or statement made herein by Seller contains any untrue statement of any material fact or omits to state any material fact necessary in order to make such representation, warranty, or statement not misleading.

8.7. Seller is duly authorized and has taken all necessary actions to execute and perform this Agreement and this Agreement is enforceable against Seller in accordance with its terms.

9. PURCHASER REPRESENTATIONS.

9.1. Purchaser is duly authorized and has taken all necessary actions to execute and perform this Agreement and this Agreement is enforceable against Purchaser in accordance with its terms.

9.2. Purchaser will make good faith efforts to obtain commitments for funding sufficient to complete this transaction, and believes such funding will be available, subject to the review and approval by the Funders (described in Paragraph 18, herein), each in their sole discretion, of the Condition of Property, the terms of any conservation easement that may encumber the Property, and the other requirements of each Funder for providing funding for this transaction.

10. CONDITION OF PROPERTY, LIABILITY. Seller has made certain representations and warranties concerning the Property and its condition. During the Inspection Period the Purchaser has the right to inspect the condition of the Property. However, without regard to any inspections made by the Purchaser, nothing in this contract shall relieve either party of liability for misrepresentation, breach of warranty or failure to reasonably inspect the condition of the Property.

11. TAXES. Seller shall pay all general and special taxes, assessments, fees and charges of any type (including without limitation, any for water, sewer, irrigation and special districts), for the Property for the current year and all years prior to Closing. At Closing real property taxes and assessments and other taxes and assessments shall be prorated as of the date of Closing based on the most recent ascertainable tax bill or the current assessment of the Property.

12. PRESERVATION OF PROPERTY; RISK OF LOSS. Except as otherwise set forth herein, Seller agrees that the Property shall remain as it now is until Closing.

that no timber, crops, sand, gravel, minerals, improvements or any other part of the Property shall be sold or removed from the Property, and that Seller agrees that it shall neither use nor consent to any use of the Property for any purpose or in any manner which would adversely affect Purchaser's intended use of the Property as a conservation area or similar use. In the event that Seller shall use or consent to such use of the Property, Purchaser may, without liability, refuse to accept the conveyance of title, in which event the Deposit plus all accrued interest shall be refunded; or alternatively it may elect to accept the conveyance of title to the Property with a price adjustment for the change in circumstances, and/or maintain an action against the Seller for damages.

13. **COSTS AND FEES.** Closing fees shall be paid equally by the Parties. The premium for the title insurance policy for the Property described above shall be paid by Seller. Per page recording costs for the deed to Purchaser and any documentary fees, shall be paid by Purchaser; all other recording costs and documentary fees shall be paid by Seller.

14. **SPECIFIC PERFORMANCE, DAMAGES; DEFAULT.**

14.1. Seller's Remedies. If Purchaser shall fail to consummate the transaction contemplated hereunder for any reason, or if such transaction shall fail to close for any reason other than default by Seller, Seller may elect, at Seller's sole option: (i) To terminate this Agreement and be released from its obligations hereunder, in which event the Deposit shall be returned to Purchaser; or (ii) To proceed against Purchaser for specific performance of this Agreement. In either event, and in the event of any other violation of the terms of this Agreement, Seller shall have the right to seek and recover from Purchaser all damages suffered by Seller as a result of Purchaser's default in the performance of its obligations hereunder

14.2. Purchaser's Remedies. If Seller shall fail to consummate the transaction contemplated hereunder for any reason, or if such transaction shall fail to close for any reason other than default by Purchaser, Purchaser may elect, at Purchaser's sole option: (i) To terminate this Agreement and be released from its obligations hereunder, in which event the Deposit shall be returned to Purchaser; or (ii) To proceed against Seller for specific performance of this Agreement. In either event, and in the event of any other violation of the terms of this Agreement, Purchaser shall have the right to seek and recover from Seller all damages suffered by Purchaser as a result of Seller's default in the performance of its obligations hereunder.

15. **NOTICES.** All notices required or permitted hereunder will be deemed to have been delivered upon sending of such notice. All notices required or permitted hereunder shall be given by hand delivery, or sent by telecopier or email, or sent by Federal Express or other courier for delivery at the soonest possible time offered by such courier, directed as follows:

If to Seller:

at the address, fax number or email address shown above

If to Purchaser:

at the address, fax number or email address shown above

16. MISCELLANEOUS.

- 16.1. Broker's Commission. Seller and Purchaser each represents to the other that they have not contracted with any broker or finder with regard to this transaction. Each party agrees to indemnify, defend and hold harmless the other from and against any and all liability, claims, demands, damages and costs of any kind arising out of or in connection with any broker's or finder's fee, commission or charges claimed to be due any person in connection with such person's conduct respecting this transaction except as set forth herein.
- 16.2. Certificate. Mesa Land Trust is an organization described in Section 501(c)(3) of the Internal Revenue Code and as such it is required to file certain reports pertaining to the purchase or sale of the Property with the Internal Revenue Service. Seller represents that its federal tax identification or social security number is 572-64-6312 and authorizes the Title Company to release to Purchaser any tax identification or transaction information as is requested by Purchaser for such reporting. At or prior to Closing, Seller shall furnish to Purchaser a duly executed Certificate of Non-Foreign Status in the form attached to this Agreement as Exhibit "B". Seller hereby declares and represents to Purchaser that it is not a "foreign person" for purposes of withholding of federal tax as described in such Certificate.
- 16.3. Assigns. Purchaser may assign this contract in whole or in part, and its rights as Purchaser hereunder including those to the Deposit by written assignment to a governmental entity, or an organization described under Section 501(c)(3) of the Internal Revenue Code ("Assignee") wherein the Assignee assumes the obligations of Purchaser hereunder. Purchaser may require that the Property be directly deeded by the Seller to the City of Grand Junction or to the Assignee.
- 16.4. Binding Effect. The terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the Parties' heirs, executors, administrators, successors and assigns.
- 16.5. Exhibits. The exhibits hereto constitute an integral part of this Agreement and are hereby incorporated herein.
- 16.6. Counterparts; Facsimile Signatures. This Agreement may be executed in

counterparts, all of which shall constitute one agreement which shall be binding on all of the Parties, notwithstanding that all of the Parties are not signatories to the original or the same counterpart. Signatures may be evidenced by facsimile transmission and at the request of any party documents with original signatures shall be provided to the other party.

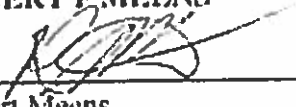
- 16.7. Severability. If any provision of this Agreement shall be held invalid, the other provisions hereof shall not be affected thereby and shall remain in full force and effect.
- 16.8. Entire Agreement. This Agreement represents the entire agreement of the Parties and may not be amended except by a writing signed by each party thereto.
- 16.9. Authority. Each party to this Agreement warrants to the other that the respective signatories have full right and authority to enter into and consummate this Agreement and all related documents.
- 16.10. Merger. The obligations, covenants, representations, warranties and remedies set forth in this Agreement shall not merge with transfer of title but shall survive the Closing.
- 16.11. Further Actions. Each party shall execute and deliver or cause to be executed and delivered any and all instruments reasonably required to convey the Property to Purchaser and to vest in each party all rights, interests and benefits intended to be conferred by this Agreement. In the event of termination of this Agreement by Purchaser, as provided herein, Seller shall promptly execute such documents as are reasonably required by the Title Company and by the Purchaser for return of the Deposit to Purchaser.
- 16.12. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. Venue for resolution of any dispute shall be Mesa County, Colorado.
- 16.13. Offer. When signed and delivered to the Seller by Purchaser, this Agreement will constitute an offer to the Seller that can be accepted only by the Seller signing and delivering to Purchaser an executed original of this Agreement on or before (but not after) December 1st, 2013. Purchaser may withdraw such offer in writing at any time prior to its acceptance.
- 16.14. Labor and Material. Seller shall deliver to Purchaser at Closing an affidavit, on a form acceptable to the Title Company and to Purchaser's lender, if applicable, signed by Seller that no labor or materials have been furnished to the Property within the statutory period for the filing of mechanics' or materialmen's liens against the Property. If labor or materials have been furnished during the statutory period, Seller shall deliver to the Title Company and to Purchaser an affidavit signed by Seller and the person or persons furnishing the labor or materials that the costs thereof have been paid.

- 16.15. 1099 Reporting. The Title Company is designated as the party responsible for filing a Form 1099 with the Internal Revenue Service promptly after Closing, to the extent required by the Internal Revenue Code and Treasury Regulations.
- 16.16. Attorney Fees. In the event of arbitration or litigation arising out of this Agreement, the arbitrator or court shall award to the prevailing party all reasonable costs and expenses, including attorney fees.
17. **SATURDAYS, SUNDAYS, HOLIDAYS**. If the final date of any time period of limitation set out in any provision of this agreement falls on a Saturday, Sunday or a legal holiday under the laws of the state of Colorado, then the time of such period shall be extended to the next day which is not a Saturday, Sunday or legal holiday.
18. **PURCHASER'S CONTINGENCIES**. Specific contingencies to Purchaser's obligation to perform hereunder are (1) the Purchaser being satisfied with the Condition of the Property, and that the Property has an appraised fair market at least equal to the Purchase Price, as determined by Purchaser in its sole discretion, prior to the end of the Inspection Period; (2) Purchaser receiving approval of this transaction and funding from its funders (the "Funders"), as determined by Purchaser, in its sole discretion, at any time prior to Closing; and (3) there being no unacceptable change in the Condition of Property after the end of the Inspection Period and prior to Closing, as determined by Purchaser and Funders each in their discretion. If any such contingency is not met or waived by the Purchaser, without regard to whether the Purchaser has otherwise accepted the condition of the Property, then this Contract shall be null and void, and the Deposit shall be returned to the Purchaser.
19. **EFFECTIVE DATE**. The Effective Date of this Agreement shall be the last date signed by either party.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

SELLER

ROBERT E MEENS



Robert Meens

Date: 11/11/13

JACQUELINE L MEENS



Jacqueline Meens

Date: NOV. 12, 2013

PURCHASER

Mesa County Land Conservancy, d/b/a MESA LAND TRUST
a Colorado non-profit corporation

By: 

Title: Executive Director

Date: Nov 20, 2013

EXHIBIT "A"
MEENS PROPERTY SITE MAP
(Page 1 of 2)

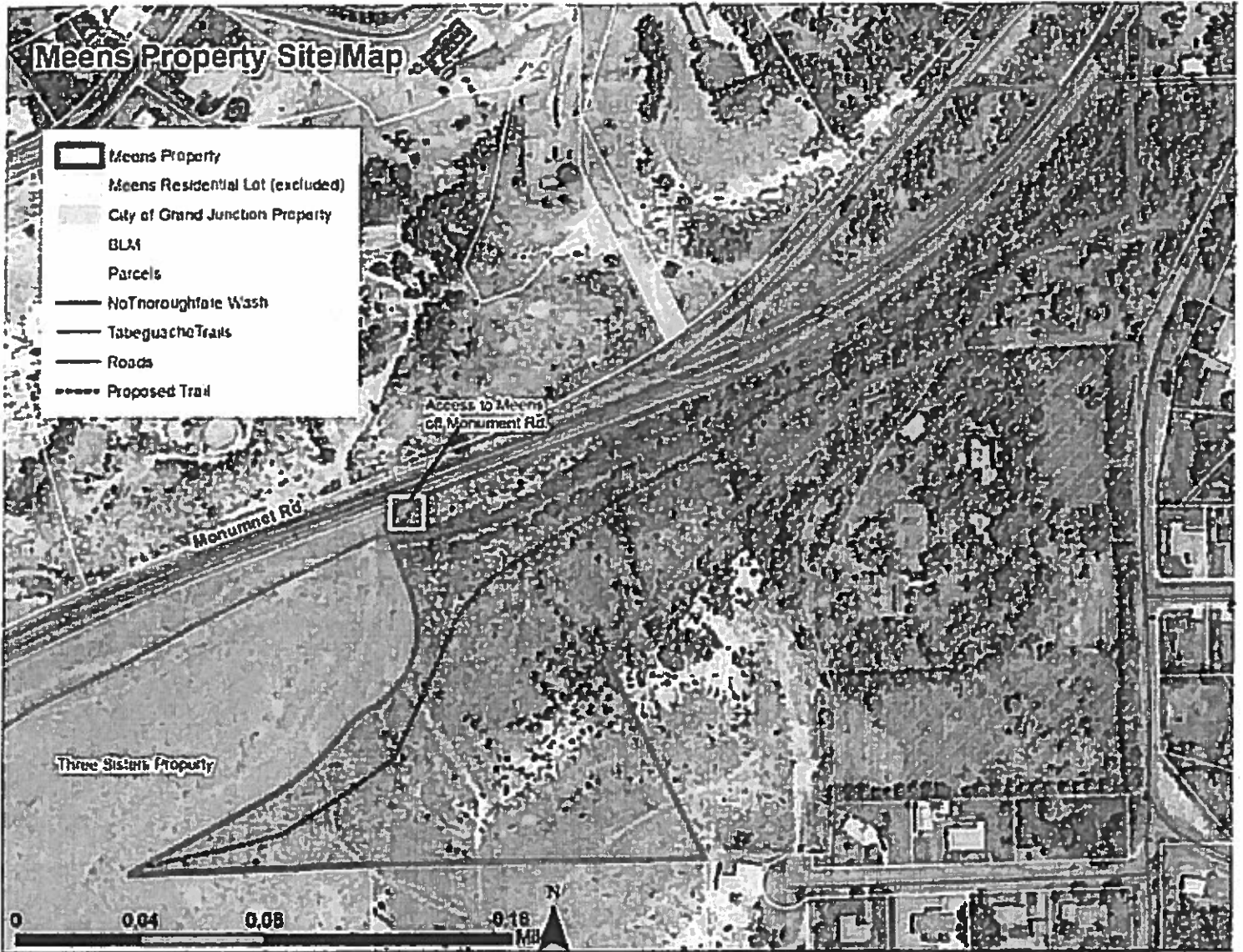


EXHIBIT A
(Page 2 of 2)

EXHIBIT "B"
AFFIDAVIT OF NON-FOREIGN STATUS

Section 1445 and Section 6045 of the Internal Revenue Code provide that the Transferee of a real property interest must withhold tax if the Transferor is a foreign person and must provide certain sales related information to the Internal Revenue Service. To inform MESA COUNTY LAND CONSERVANCY, d/b/a MESA LAND TRUST (the "Transferee") that withholding of tax is not required upon its disposition of a U.S. real property interest, more particularly described in the Contract for Sale of Real Estate annexed hereto Robert F. Meens and Jacqueline L. Meens (the "Transferor"), hereby certifies that:

1. Transferor is not a non-resident alien for purposes of U.S. income taxation.
2. Transferor's tax identification number is: (Robert F Meens) 572-64-6372
3. Transferor's tax identification number is: (Jacqueline L. Meens) 226-62-2987
4. Transferor's principal business address is:
5. The gross sales price of this transfer is: \$205,800.00
6. Transferor understands that this affidavit and information contained herein will be disclosed to the Internal Revenue Service by the Transferee and that any false statement made herein by Transferor could be punished by fine, imprisonment, or both.

Under penalties of perjury, Transferor declares that Transferor has examined this certification and, to the best of Transferor's knowledge and belief, it is true, correct and complete.

TRANSFEROR:

Robert F Meens
Robert F Meens

Jacqueline L. Meens
Jacqueline L. Meens

STATE OF COLORADO)
) ss:
COUNTY OF MESA)

SUBSCRIBED, sworn to and acknowledged before me by Robert F Meens and Jacqueline L. Meens, as SELLER and TRANSFEROR, who acknowledged the foregoing AFFIDAVIT OF NON-FOREIGN STATUS on this 11th day of November, 2013.

Barbara O'Connor
Notary Public
My commission expires: 04-28-17

BARBARA O'CONNOR
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID #20054015534
My Commission Expires April 28, 2017

150 S. Hwy 160
Ste C-8, PMB 420 Pahrump NV 89048
send tax notice to:

2 PAGE NUMBER

QUITCLAIM DEED

THIS DEED, dated January 3, 2003
between Gene and Faye Files (JT)
2364 Hill Court
Grand Junction
of the County of Mesa and State of
Colorado, grantor(s), and
Doyle and Sandra Files Joint tenant

2096616 01/03/03 0343P
JANICE WARD CLK REC MESA COUNTY CO
REG FEE \$10.00 SURCHG \$1.00
DOCUMENTARY FEE \$NO FEE

whose legal address is 931 E. Fehrs, Pahrump
of the County of Nye and State of Nevada
Colorado grantee(s).

WITNESS, that the grantor(s), for and in consideration of the sum of (0.00) and other good and valuable
consideration including mutual love and affection (No actual consideration) DOLLARS,
the receipt and sufficiency of which is hereby acknowledged, have remised, released, sold and QUITCLAIMED, and by these
presents do remise, release, sell and QUITCLAIM unto the grantee(s), heirs, successors and assigns forever, all
the right, title, interest, claim and demand which the grantor(s) have in and to the real property, together with improvements, if any,
situate, lying and being in the County of Mesa and State of Colorado,
described as follows:

See Attached Exhibit A

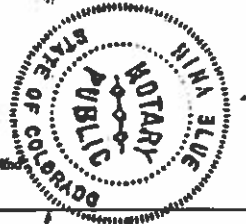
also known by street and number as: Vacant Land
assessor's schedule or parcel number: 2945 - 291 - 00 - 123

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging, or in anywise
thereunto appertaining, and all the estate, right, title, interest and claim whatsoever of the grantor(s), either in law or equity, to the only
proper use, benefit and behoof of the grantees) heirs and assigns forever.
IN WITNESS WHEREOF, the grantor(s) ha executed this deed on the date set forth above.

x Gene Files _____ N/A
Faye Files _____ N/A
N/A _____ N/A

STATE OF COLORADO
County of Mesa

The foregoing instrument was acknowledged before me this 3rd day of JANUARY, 2003
by



Witness my hand and official seal My Commission Expires
My commission expires: April 17, 2004

Linia Blue
Notary Public

Property Description

Exhibit A
BOOK 3245

PAGE 289

A parcel of land being a part of the East One Quarter of the Northwest One Quarter of the Northeast One Quarter of Section 29, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado, and considering the West line of the Northwest One Quarter of the Northeast One Quarter of Section 29 to bear North 00° 09' 54" West and all bearings contained herein being relative thereto, being more particularly described as follows:

Beginning at the Southeast corner of the East One Quarter of said Northwest One Quarter of the Northeast One Quarter, being a rebar with 1 1/2" aluminum cap stamped NE 1/16, PELS 5933, South 89° 57' 23" West along the South line of said East One Quarter a distance of 330.46 feet to the Southwest corner of said East One Quarter;

thence North 00° 09' 27" West along the West line of said East One Quarter a distance of 1035.75 feet to the Southerly right-of-way of Monument Road as deeded to the County of Mesa and recorded in Book 968 at Page 869 in the Office of the Mesa County Clerk and Recorder;

thence along said right-of-way a distance of 337.17 feet along the arc of a nontangent curve concave Southerly, whence the radius point bears South 18° 32' 40" East, having a radius of 5699.58 feet and a central angle of 03° 23' 22", whose long chord bears N 73° 09' 01" East a distance of 337.11 feet, thence tangent to said curve North 74° 50' 42" East a distance of 7.87 feet to the East line of said East One Quarter; thence leaving said Southerly right-of-way South 00° 09' 18" East a distance of 1135.27 feet to the point of beginning.

Containing 8.247 acres more or less.

QUITCLAIM DEED

THIS DEED, dated January 3, 2003
between Gene and Faye Files (JT)
2364 Hill Court
Grand Junction County of Mesa and State of
of the Colorado, grantor(s), and
Doyle and Sandra Files JOINT TENANT

2096615 01/03/03 0343PM
JANICE WARD CLK® MESA COUNTY CO
REG FEE \$10.00 SURCHG \$1.00
DOCUMENTARY FEE \$NO FEE

whose legal address is 931 E. Fehrs, Pahrump
of the County of Nye and State of Nevada
Colorado grantee(s).

WITNESS, that the grantor(s), (or and in consideration of the sum of (\$10) and other good and valuable
consideration including mutual love and affection (No actual consideration) DOLLARS,
the receipt and sufficiency of which is hereby acknowledged, have remised, released, sold and QUITCLAIMED, and by these
presents do remise, release, sell and QUITCLAIM unto the grantee(s), heirs, successors and assigns forever, all
the right, title, interest, claim and demand which the grantor(s) have in and to the real property, together with improvements, if any,
situate, lying and being in the County of Mesa and State of Colorado,
described as follows:

See attached Exhibit A

also known by street and number as: Vacant Land
assessor's schedule or parcel number: 2945-291-00-129

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging, or in anywise
thereunto appertaining, and all the estate, right, title, interest and claim whatsoever of the grantor(s), either in law or equity, to the only
proper use, benefit and behoof of the grantee(s) heirs and assigns forever.

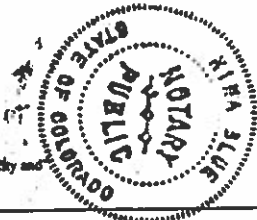
IN WITNESS WHEREOF, the grantor(s) have executed this deed on the date set forth above.

x Gene Files _____ N/A
x Faye Files _____ N/A
_____ N/A _____ N/A

STATE OF COLORADO

County of Mesa

The foregoing instrument was acknowledged before me this 3rd day of January, 2003
by



Witness my hand and official seal, My Commission Expires
My commission expires: April 17, 2004

[Signature] Notary Public

*Where applicable, insert "City and

Name and Address of Person Creating Newly Created Legal Document (18-35-HRS, C.R.S.)

150 S. Hwy 160
Ste C-8 Pahrump, Pahrump NV 89048
send tax notice to

Exhibit A

BOOK 3245 PAGE 287

Property Description

A parcel of land being a part of the East One Quarter of the Northwest One Quarter of the Northeast One Quarter of Section 29, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado, and considering the West line of the Northwest One Quarter of the Northeast One Quarter of Section 29 to bear North $00^{\circ} 09' 54''$ West and all bearings contained herein being relative thereto, being more particularly described as follows:

Beginning at the Northeast corner of the East One Quarter of said Northwest One Quarter, being a Mesa County Surveyor Brass Cap Monument,
thence South $00^{\circ} 09' 18''$ East along the East line of said East One Quarter a distance of 109.30 feet to the Northerly right-of-way of Monument Road as deeded to the County of Mesa and recorded in Book 968 at Page 869 in the Office of the Mesa County Clerk and Recorder,
thence along said right-of-way line South $74^{\circ} 50' 42''$ West a distance of 23.95 feet,
thence 320.78 feet along the arc of a curve concave Southerly having a radius of 5759.58 feet, with a central angle of $03^{\circ} 11' 28''$, whose long chord bears South $73^{\circ} 14' 58''$ West 320.73 feet to the West line of said East One Quarter,
thence leaving said Northerly right-of-way and along the West line of said East One Quarter North $00^{\circ} 09' 27''$ West a distance of 209.33 feet to the Northwest corner of said East One Quarter;
thence South $89^{\circ} 46' 11''$ East along the North line of said East One Quarter a distance of 330.52 feet to the point of beginning.

Containing 1.195 acres more or less.

2

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO. 3566

2146615 09/05/03 0314PM
JANICE WARD CLK&REC MESA COUNTY CO
REC FEE \$10.00 SURCHG \$1.00

**AN ORDINANCE DISCONNECTING CERTAIN LANDS, REFERRED TO AS THE
FILES PROPERTY**

**FILES DE-ANNEXATION
APPROXIMATELY 38.9 ACRES
LOCATED ON MONUMENT ROAD, WEST OF MARIPOSA DRIVE**

RECITALS: The Files have requested that their 38.9 acres located on Monument Road, West of Mariposa Drive, be de-annexed from the City of Grand Junction. The property is not within the Persigo 201 boundary, and will, therefore, not be served by sewer. The portion of the property south of Monument Road has a land use designation of Residential Rural, 5 to 35 acres per unit and should not develop at urban densities.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO:

That the property situate in Mesa County, Colorado, and described to wit:

Files De-annexation

A certain parcel of land lying in Section 29, Township 1 South, Range 1 West of the Ute Principal Meridian, County of Mesa, State of Colorado, being more particularly described as follows:

ALL of the Northeast Quarter of the Northeast Quarter (NE 1/4 NE 1/4) of Section 29, Township 1 South, Range 1 West of the Ute Principal Meridian, EXCEPT that certain 60.00 foot right of way for Monument Road, as same was conveyed to the County of Mesa by instrument recorded October 1, 1971 in Book 964, Page 653, Public Records of Mesa County, Colorado.

CONTAINS 38.93 Acres, (1,695,668.8 Sq. Ft.) more or less, as described.

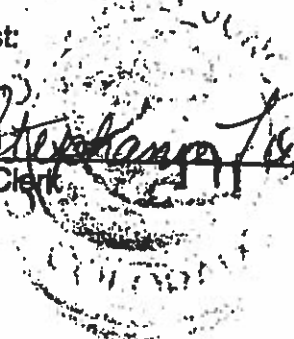
CONTAINING 38.9 Acres, more or less, as described

Be and is hereby de-annexed and disconnected from the City of Grand Junction, in accordance with and pursuant to Grand Junction Code of Ordinances section 2-27, and shall be effective upon the exclusion of the property from the Persigo 201 sewer service boundary.

INTRODUCED on first reading on the 6th day of August, 2003 and ordered published.

PASSED and ADOPTED on second reading this 20th day of August, 2003.

Attest:


Stephanie T. ...
City Clerk

Harry R. Butler
President of the Council Pro Tem

ABSTRACT & TITLE COMPANY OF MESA COUNTY

**605 25 Road, Suite 201
Grand Junction, CO 81505
Phone: 970-242-8234 Fax: 970-241-4925**

February 18, 2015

**City of Grand Junction, a Colorado Home Rule Municipality
250 North 5th Street
Grand Junction, Colorado 81501**

PROPERTY ADDRESS: 2395 Monument Road, Grand Junction, CO 81507

ORDER NO: 2683CEM

DEAR CUSTOMER:

ENCLOSED IS YOUR POLICY OF TITLE INSURANCE. THIS POLICY CONTAINS IMPORTANT INFORMATION ABOUT THE REAL ESTATE TRANSACTION YOU HAVE JUST COMPLETED AND IS YOUR GUARANTEE OF OWNERSHIP. PLEASE READ IT CAREFULLY AND RETAIN IT WITH YOUR OTHER VALUABLE PAPERS.

A COMPLETE AND PERMANENT FILE OF THE RECORDS CONCERNING YOUR TRANSACTION WILL BE MAINTAINED IN OUR OFFICE. THESE RECORDS WILL ASSURE PROMPT PROCESSING OF FUTURE TITLE ORDERS AND SAVE MUCH VALUABLE TIME SHOULD YOU WISH TO SELL OR OBTAIN A LOAN ON YOUR PROPERTY. VISIT OR CALL OUR OFFICE AND SIMPLY GIVE US YOUR PERSONAL POLICY FILE NUMBER SHOWN ABOVE.

WE APPRECIATE THE OPPORTUNITY TO SERVE YOU AND WILL BE HAPPY TO ASSIST YOU IN ANY WAY WITH YOUR FUTURE TITLE SERVICE NEEDS.

**SINCERELY,
ABSTRACT & TITLE COMPANY OF MESA COUNTY**



**ALTA RESIDENTIAL TITLE INSURANCE POLICY
ONE-TO-FOUR FAMILY RESIDENCES (6-1-87)**

ISSUED BY

WESTCOR LAND TITLE INSURANCE COMPANY

OWNER'S INFORMATION SHEET

Your Title Insurance Policy is a legal contract between you and Westcor Land Title Insurance Company.

It applies only to a one-to-four family residential lot or condominium unit. If your land is not either of these, contact us immediately.

The Policy insures you against certain risks to your land title. These risks are listed on page one of the Policy. The Policy is limited by:

- Exclusions on page 2
- Exceptions on Schedule B
- Conditions on page 3

You should keep the Policy even if you transfer the title to your land.

If you want to make a claim, see Item 3 under Conditions on page 3.

You do not owe any more premiums for the Policy.

This sheet is not your insurance Policy. It is only a brief outline of some of the important Policy features. The Policy explains in detail your rights and obligations and our rights and obligations. Since the Policy--and not this sheet--is the legal document, YOU SHOULD READ THE POLICY VERY CAREFULLY.

If you have any questions about your Policy, contact:

Westcor Land Title Insurance Company
875 Concourse Parkway South, Suite 200, Maitland, FL 32751

IN WITNESS WHEREOF, WESTCOR LAND TITLE INSURANCE COMPANY has caused this policy to be signed and sealed as of the Date of Policy shown in Schedule A.

WESTCOR LAND TITLE INSURANCE COMPANY

Issued By: Abstract & Title Company of Mesa County



By: Mary O'Donnell
President

Attest: Patricia H. Power
Secretary

TABLE OF CONTENTS

OWNER'S INFORMATION SHEET	1
COVERED TITLE RISKS	2
COMPANY'S DUTY TO DEFEND AGAINST COURT CASES	2
SCHEDULE A	insert
Policy Number, Date and Amount	
1. Name of Insured	
2. Interest in Land Covered	
3. Description of the Land	
SCHEDULE B-EXCEPTIONS	insert
EXCLUSIONS	2
CONDITIONS	3
1. Definitions	3
2. Continuation of Coverage	3
3. How to Make a Claim	3
4. Our Choices When You Notify Us of a Claim	3
5. Handling a Claim or Court Case	3
6. Limitation of the Company's Liability	3
7. Transfer of Your Rights	3
8. Arbitration	4
9. Our Liability is Limited to This Policy	4

OWNER'S COVERAGE STATEMENT

This policy insures your title to the land described in Schedule A—if that land is a one-to-four family residential lot or condominium unit.

Your insurance, as described in this Coverage Statement, is effective on the Policy Date shown in Schedule A.

Your insurance is limited by the following:

- Exclusions on page 2
- Exceptions in Schedule B
- Conditions on page 3

We insure you against actual loss resulting from:

- any title risks covered by this Policy—up to the Policy Amount and
- any costs, attorneys' fees and expenses we have to pay under this Policy

COVERED TITLE RISKS

This Policy covers the following title risks, if they affect your title on the Policy Date.

1. Someone else owns an interest in your title.
2. A document is not properly signed, sealed, acknowledged, or delivered.
3. Forgery, fraud, duress, incompetency, incapacity or impersonation
4. Defective recording of any document.
5. You do not have any legal right of access to and from the land.
6. There are restrictive covenants limiting your use of the land.
7. There is a lien on your title because of:
 - a mortgage or deed of trust
 - a judgment, tax, or special assessment
 - a charge by a homeowner's or condominium association
8. There are liens on your title, arising now or later, for labor and material furnished before the Policy Date—unless you agreed to pay for the labor and material.
9. Others have rights arising out of leases, contracts or options.
10. Someone else has an easement on your land.
11. Your title is unmarketable, which allows another person to refuse to perform a contract to purchase, to lease or to make

mortgage loan.

12. You are forced to remove your existing structure—other than a boundary wall or fence—because:
 - it extends on to adjoining land or on to any easement
 - it violates a restriction shown in Schedule B
 - it violates an existing zoning law
13. You cannot use the land because use as a single-family residence violates a restriction shown in Schedule B or an existing zoning law.
14. Other defects, liens, or encumbrances

EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
 - land use
 - improvements on the land
 - land division
 - environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date.

This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it unless:
 - a notice of exercising the right appears in the public records on the Policy Date
 - the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
3. Title Risks:
 - that are created, allowed, or agreed to by you
 - that are known to you, but not to us, on the Policy Date—unless they appeared in the public records
 - that result in no loss to you
 - that first affect your title after the Policy Date—this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
4. Failure to pay value for your title.
5. Lack of a right:
 - to any land outside the area specifically described and referred to in Item 3 of Schedule A; or
 - in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

COMPANY'S DUTY TO DEFEND AGAINST COURT CASES

We will defend your title in any court case as to that part of the case that is based on a Covered Title Risk insured against by this Policy. We will pay the costs, attorneys' fees, and expenses we incur in that defense.

We can end this duty to defend your title by exercising any of our options listed in Item 4 of the Conditions.

This policy is not complete without Schedules A and B.

CONDITIONS

1. DEFINITIONS

- a. Easement – the right of someone else to use your land for a special purpose.
- b. Land – the land or condominium unit described in Schedule A and any improvements on the land which are real property.
- c. Mortgage – a mortgage, deed of trust, trust deed or other security instrument.
- d. Public Records – title records that give constructive notice of matters affecting your title – according to the state statutes where your land is located.
- e. Title – the ownership of your interest in the land, as shown in Schedule A.

2. CONTINUATION OF COVERAGE

This Policy protects you as long as you:

- own your title; or
- own a mortgage from anyone who buys your land; or are liable for any title warranties you make

This Policy protects anyone who receives your title because of your death.

3. HOW TO MAKE A CLAIM

a. You Must Give The Company Notice Of Your Claim

If anyone claims a right against your insured title, you must notify us promptly in writing. Send the notice to:

Westcor Land Title Insurance Company, Attn: Claims Department, 201 N. New York Avenue, Ste. 200, Winter Park, FL 32789. Please include the Policy number shown in Schedule A and the county and state where the land is located.

Our obligation to you could be reduced if:

- you fail to give prompt notice; and
- your failure affects our ability to dispose of or to defend you against the claim.

b. Proof Of Your Loss Must Be Given To The Company

You must give us a written statement to prove your claim of loss. This statement must be given to us not later than 90 days after you know the facts which will let you establish the amount of your loss.

The statement must have the following facts:

- the Covered Title Risks which resulted in your loss
- the dollar amount of your loss
- the method you used to compute the amount of your loss

You may want to provide us with an appraisal of your loss by a professional appraiser as a part of your statement of loss.

We may require you to show us your records, checks, letters, contracts, and other papers which relate to your claim of loss. We may make copies of these papers.

We may require you to answer questions under oath.

Our obligation to you could be reduced if you fail or refuse to:

- provide a statement of loss; or
- answer our questions under oath; or
- show us the papers we request, and
- your failure or refusal affects our ability to dispose of or to defend you against the claim.

4. OUR CHOICES WHEN YOU NOTIFY US OF A CLAIM

After we receive your claim notice or in any other way learn of a matter for which we are liable, we can do one or more of the following:

- a. Pay the claim against your title.
- b. Negotiate a settlement.
- c. Prosecute or defend a court case related to the claim.
- d. Pay you the amount required by this Policy.
- e. Take other action which will protect you.
- f. Cancel this policy by paying the Policy Amount, then in force, and only those costs, attorneys' fees and expenses incurred up to that time which we are obligated to pay.

5. HANDLING A CLAIM OR COURT CASE

You must cooperate with us in handling any claim or court case and give us all relevant information.

We are required to repay you only for those settlement costs attorneys' fees and expenses that we approve in advance.

When we defend your title, we have a right to choose the attorney.

We can appeal any decision to the highest court. We do not have to pay your claim until your case is finally decided.

6. LIMITATION OF THE COMPANY'S LIABILITY

- a. We will pay up to your actual loss or the Policy Amount in force when the claim is made—whichever is less.
- b. If we remove the claim against your title within a reasonable time after receiving notice of it, we will have no further liability for it. If you cannot use any of your land because of a claim against your title, and you rent reasonable substitute land or facilities, we will repay you for your actual rent until:
 - the cause of the claim is removed; or
 - we settle your claim
- c. The Policy Amount will be reduced by all payments made under this policy—except for costs, attorneys' fees and expenses.
- d. The Policy Amount will be reduced by any amount we pay to our insured holder of any mortgage shown in this Policy or a later mortgage given by you.
- e. If you do anything to affect any right of recovery you may have, we can subtract from our liability the amount by which you reduced the value of that right.

7. TRANSFER OF YOUR RIGHTS

When we settle a claim, we have all the rights you had against any person or property related to the claim. You must transfer these rights to us when we ask, and you must not do anything to affect these rights. You must let us use your name in enforcing these rights.

We will not be liable to you if we do not pursue these rights or if we do not recover any amount that might be recoverable.

With the money we recover from enforcing these rights, we will pay whatever part of your loss we have not paid. We have a right to keep what is left.

8. ARBITRATION

If it is permitted in your state, you or the Company may demand arbitration.

The arbitration shall be binding on both you and the Company. The arbitration shall decide any matter in dispute between you and the Company.

The arbitration award may:

- include attorneys' fees if allowed by state law
- be entered as a judgment in the proper court.

The arbitration shall be under the Title Insurance Arbitration Rules of the American Arbitration Association. You may choose current Rules or Rules in existence on Policy Date.

The law used in the arbitration is the law of the place where the property is located.

You can get a copy of the Rules from the Company.

9. OUR LIABILITY IS LIMITED TO THIS POLICY

This Policy, plus any endorsements, is the entire contract between you and the Company. Any claim you make against us must be made under this Policy and is subject to its terms.

OWNER'S POLICY OF TITLE INSURANCE

Issued by

Westcor Land Title Insurance Company

SCHEDULE A

Name and Address of Title Insurance Company:
WESTCOR LAND TITLE INSURANCE COMPANY
2000 S. Colorado Blvd.
#1-3100, Denver, Colorado 80222

File No.: 2683CEM

Policy No.: OP-3-3133726

Address Reference: 2395 Monument Road, Grand Junction, CO 81507

Amount of Insurance: \$103,875.00

Date of Policy: July 18, 2014 at the exact time of recording.

1. Name of Insured:
City of Grand Junction, a Colorado Home Rule Municipality

2. The estate or interest in the Land that is insured by this policy is:
Fee Simple

3. Title is vested in:
City of Grand Junction, a Colorado Home Rule Municipality

4. The Land referred to in this policy is described as follows:
SEE ATTACHED EXHIBIT "A"

Countersigned
Abstract & Title Company of Mesa County

By: 

Authorized Officer or Agent

Note: This policy consists of insert pages labeled Schedule A and B. This policy is of no force and effect unless all pages are included along with any added pages incorporated by reference.

ALTA Owner's Policy (6-17-06)
Schedule A

EXHIBIT "A"

PARCEL NO. 1

2945-291-00-066

The NE1/4 NE1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian; EXCEPT tract conveyed to County of Mesa by instrument recorded October 1, 1971 in Book 964 at Page 653 for road purposes.

PARCEL NO. 2

2945-291-00-123

A parcel of land being a part of the E1/4 of the NW 1/4 of the NE 1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado and considering the West line of the NW 1/4 of the NE 1/4 of Section 29 to bear North 00°09'54" West and all bearings contained herein being relative thereto, being more particularly described as follows:

**Beginning at the SE corner of the E1/4 of said NW1/4 of the NE1/4, being a rebar with 1 1/2" aluminum cap stamped NE 1/16, PELS 5933, South 89°57'23" West along the South line of said E1/4 a distance of 330.46 feet to the SW corner of said E1/4;
thence N 00°09'27" West along the West line of said E1/4 a distance of 1035.75 feet to the Southerly right-of-way of Monument Road as deeded to the County of Mesa and recorded in Book 968 at Page 869 in the office of the Mesa County Clerk and Recorder;
thence along said right-of-way a distance of 337.17 feet along the arc of a nontangent curve concave Southerly, whence the radius point bears South 18°32'40" East, having a radius of 5699.58 feet and a central angle of 03°23'22", whose long chord bears N 73°09'01" East a distance of 337.11 feet;
thence tangent to said curve North 74°50'42" East a distance of 7.87 feet to the East line of said E1/4;
thence leaving said Southerly right-of-way South 00°09'18" East a distance of 1135.27 feet to the point of beginning.**

PARCEL NO. 3

2945-291-00-124

A parcel of land being a part of the E1/4 of the NW1/4 of the NE1/4 of Section 29, Township 1 South, Range 1 West of the Ute Meridian, County of Mesa, State of Colorado, and considering the West line of the NW1/4 of the NE1/4 of Section 29 to bear North 00°09'54" West and all bearings contained herein being relative thereto, being more particularly described as follows:

**Beginning at the Northeast corner of the E1/4 of said NW1/4, being a Mesa County Surveyor Brass Cap Monument,
thence South 00°09'18" East along the East line of said E1/4 a distance of 109.30 feet to the Northerly right-of-way of Monument Road as deeded to the County of Mesa and recorded in Book 968 at Page 869 in the Office of the Mesa County Clerk and Recorder;
thence along said right-of-way line South 74°50'42" West a distance of 23.95 feet;
thence 320.78 feet along the arc of a curve concave Southerly having a radius of 5759.58 feet, with a central angle of 03°11'28" whose long chord bears South 73°14'58" West 320.73 feet to the West line of said E1/4;
thence leaving said Northerly right-of-way and along the West line of said E1/4 North 00°09'27" West a distance of 209.33 feet to the Northwest corner of said E1/4;
thence South 89°46'11" East along the North line of said E1/4 a distance of 330.52 feet to the point of beginning.**

OWNER'S POLICY OF TITLE INSURANCE

Issued by

Westcor Land Title Insurance Company

SCHEDULE B

File No.: 2683CEM

Policy No.: OP-3-3133726

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

1. Rights or claims of parties in possession not shown by the public records.
2. Easements or claims of easements not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the land would disclose, and which are not shown by the public record.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof.
6. Any water rights or claims or title to water, in or under the land, whether or not shown by the public records.
7. Any and all unpaid taxes, assessments and unredeemed tax sales.
8. Reservation of right of way for any ditches or canals constructed by authority of United States, in U.S. Patent recorded December 10, 1919 in Book 230 at Page 143, Reception No. 156280.
9. Terms, agreements, provisions, conditions and obligations as contained in Ordinance No. 3566 recorded September 5, 2003 in Book 3475 at Page 805, Reception No. 2146615.
10. Terms, agreements, provisions, conditions and obligations as contained in Resolution No. 79-03 recorded in Book 3475 at Page 807, Reception No. 2146616.
11. Terms, agreements, provisions, conditions and obligations as contained in City Resolution No. 87-03, County Resolution No. MCM 2003-139 recorded September 29, 2003 in Book 3495 at Page 113, Reception No. 2150827.
12. Reservation of right of proprietor of any penetrating vein or lode to extract his ore, in U.S. Patent recorded June 13, 1910 in Book 163 at Page 14, Reception No. 92300.
13. Reservation of right of way for any ditches or canals constructed by authority of United States, in U.S. Patent recorded June 13, 1910 in Book 163 at Page 14, Reception No. 92300.
14. Reservation of deed of conservation easement by Mesa County Land Conservancy, Inc., a Colorado Nonprofit Corporation dba Mesa Land Trust, in deed recorded July 18, 2014 at Reception No. 2696439 as attached hereto.

Note: This policy consists of insert pages labeled Schedule A and B. This policy is of no force and effect unless all pages are included along with any added pages incorporated by reference.

SCHEDULE B
Continued

Anti-Fraud Statement

NOTE: Pursuant to CRS 10-1-128(6)(a), It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

This anti-fraud statement is affixed to and made a part of this policy.