

**MEMORANDUM OF AGREEMENT AND OFFER TO PURCHASE
FOR THE 27 ½ ROAD IMPROVEMENT PROJECT**

This Memorandum of Agreement is made and entered into this 21st day of APRIL, 1999, by and The Bill and Kit Davis Living Trust, William L. Davis Jr. and Catharine S. Davis Trustees, hereinafter referred to as "the Owners", and the City of Grand Junction, a Colorado home rule municipality, hereinafter referred to as "the City".

RECITALS:

A. The City will be installing public roadway improvements to 27 ½ Road between Patterson Road and G Road ("the Project") during the 1999 construction season. The Project includes the installation of a new street section with curbing, gutter, sidewalk, storm drainage facilities, irrigation facilities, the conversion of public utilities from overhead to underground, and street lighting ("the Project Improvements"). The City Council of the City has determined that the Project is necessary for the health, safety and welfare of the inhabitants of the City of Grand Junction. All costs associated with the installation of the Project Improvements will be borne by the City.

B. The Owners own a tract of land adjacent to the Project located at 652 27 ½ Road in the City of Grand Junction, County of Mesa, State of Colorado, hereinafter referred to as "the Owner's Property".

C. To accommodate the installation, operation, maintenance, repair and replacement of roadway and sidewalk improvements, the City needs to acquire from the Owners a parcel of land for Public Roadway & Utilities Right-of-Way purposes containing of 550.13 square feet as defined and depicted on the attached Exhibit "A".

D. To accommodate the installation, operation, maintenance, repair and replacement of supporting slopes and drainage facilities associated with the Project, the City needs to acquire from the Owners a Perpetual Slopes & Drainage Easement containing 1,483.60 square feet as defined and depicted on the attached Exhibit "A".

E. To accommodate temporary access for workers and equipment to facilitate prudent and proper installation of the Project Improvements, the City needs to acquire from the Owners a Temporary Construction Easement containing 964.63 square feet as defined and depicted on Exhibit "B" attached hereto and incorporated herein by reference.

F. The City is offering to pay to the Owners the following sum of money as just compensation for the above stated parcels:

Public Right-of-Way:	550.13 sq.ft. @ \$1.70/sq.ft.	= \$ 935.22
Slope & Drainage Esmt:	1,483.60 sq.ft. @ \$1.00/sq.ft. x 75%	= \$ 1,891.59
Temporary Const. Esmt.:	Lump Sum	= \$ 500.00
	Plus Damages	= \$ -0-
	Less Special Benefits	= <u>\$not measured</u>
Total Offer of Just Compensation		= \$ 3,326.81

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

1. The Owners hereby accept the City's offer for just compensation, and the City hereby agrees to pay to the Owners said amounts for just compensation, subject to the promises, terms, covenants and conditions of this Agreement.
2. The just compensation hereinabove agreed upon shall be paid by the City to the Owner upon the execution and delivery by the Owners to the City of: (a) one (1) fully executed original of this Memorandum of Agreement; (b) one (1) good and sufficient General Warranty Deed for the Right-of-Way parcel; (c) one (1) good and sufficient Grant of Easement for the Perpetual Slopes & Drainage Easement; (d) one (1) good and sufficient Temporary Construction Easement Agreement for the Temporary Construction Easement; and (g) a completed and executed Federal Form W-9.

3 The just compensation as agreed upon between the Owners and the City shall fully compensate the Owners for their interests, either present or future, and the interests of all lienors and lessees of the Owners and any and all interests, legal or equitable, which are or may be outstanding, including, but not limited to, Partial Releases for the Right-of-Way parcel from that certain Deed of Trust dated September 3, 1993, and recorded in Book 2006 at Page 810 in the office of the Mesa County Clerk and Recorder, for the use and benefit of Mesa National Bank (said Deed of Trust having been assigned to Waterfield Mortgage Company on July 11, 1994 and recorded in Book 2085 at Page 103), and that certain Deed of Trust dated July 25, 1997, and recorded in Book 2537 at Page 129 in the office of the Mesa County Clerk and Recorder, for the use and benefit of Norwest Bank Colorado N.A. The Owners agree to sell, convey and discharge the same by executing in writing any and all necessary deeds, documents and/or conveyances, including, but not limited to, Requests for Partial Releases. The Owners understand and acknowledge that the beneficiaries of said Deeds of Trust may claim all or any portion of the proceeds relating to the right-of-way parcel as stated and provided in said Deeds of Trust.

4. The City agrees that all closing costs related and/or incidental to the conveyance of the above stated parcels by the Owners to the City shall be paid by the City.

5. The parties hereto believe that the Project, the Project Improvements and the conveyance of the above stated parcels by the Owners to the City will not cause a decrease in market value to the Owner's remaining property; therefore, no severance damages will occur as a result of the Project, the Project Improvements or the conveyance of the above stated parcels by the Owners to the City.

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

7. This Memorandum of Agreement embodies all agreements between the parties hereto and no other promises, terms, conditions or obligations, oral or written, have been made which might serve to modify, add to or change the terms and conditions of this Agreement.

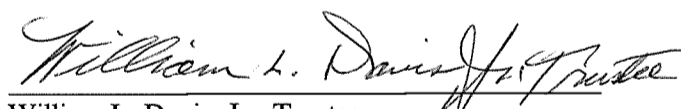
8. This Memorandum of Agreement shall be deemed a contract extending to and binding upon the parties hereto and upon their respective heirs, successors and assigns.

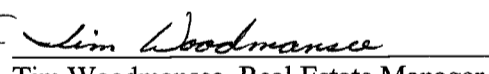
9. This is a legal instrument. The City recommends the Owners seek the advise of their own legal and tax counsel before signing this Memorandum of Agreement.

Dated the day and year first above written.

Owners:

For the City of Grand Junction, a Colorado
home rule municipality


William L. Davis, Jr., Trustee


Tim Woodmansee, Real Estate Manager


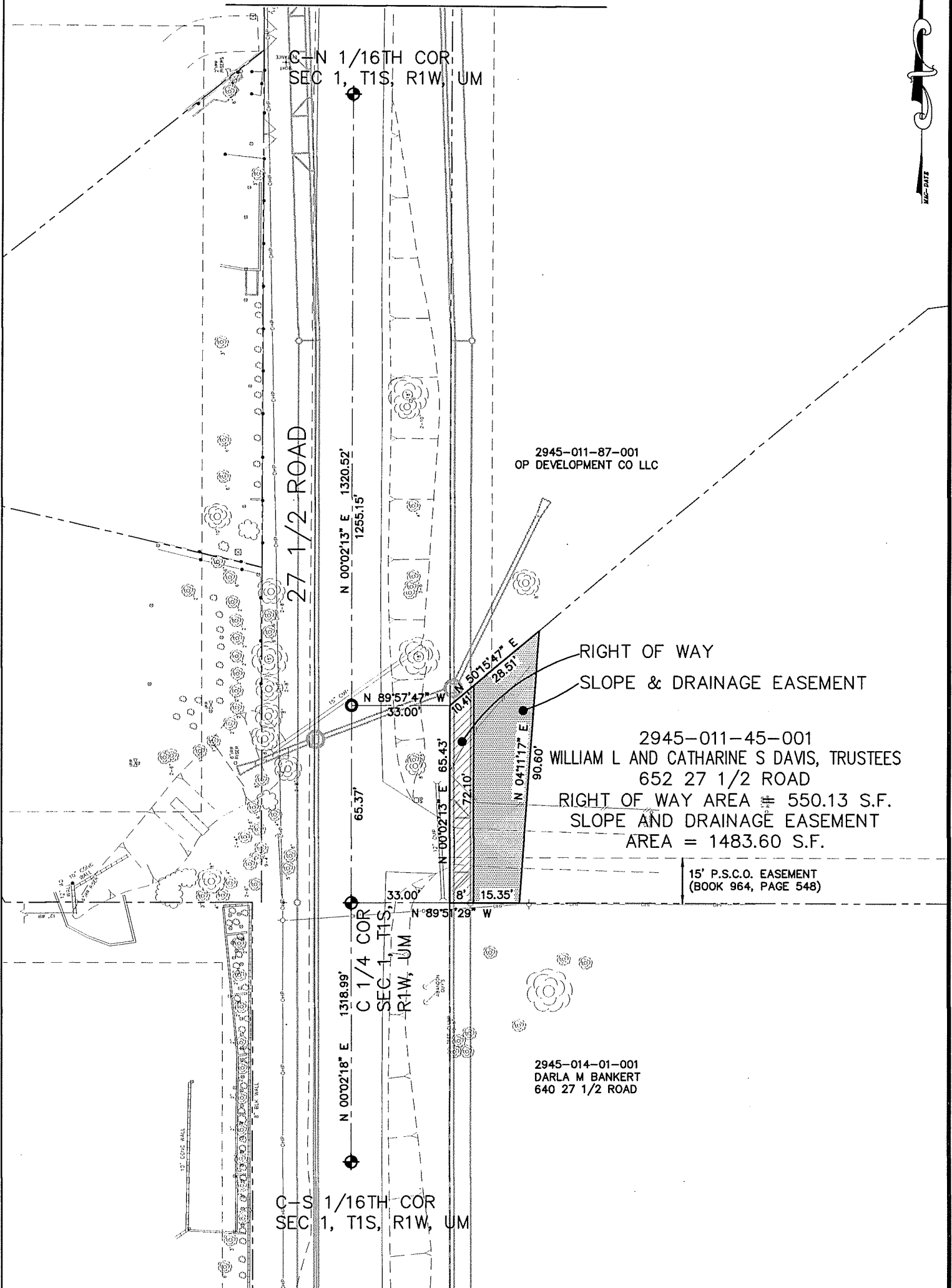

Catharine S. Davis, Trustee

EXHIBIT "A"

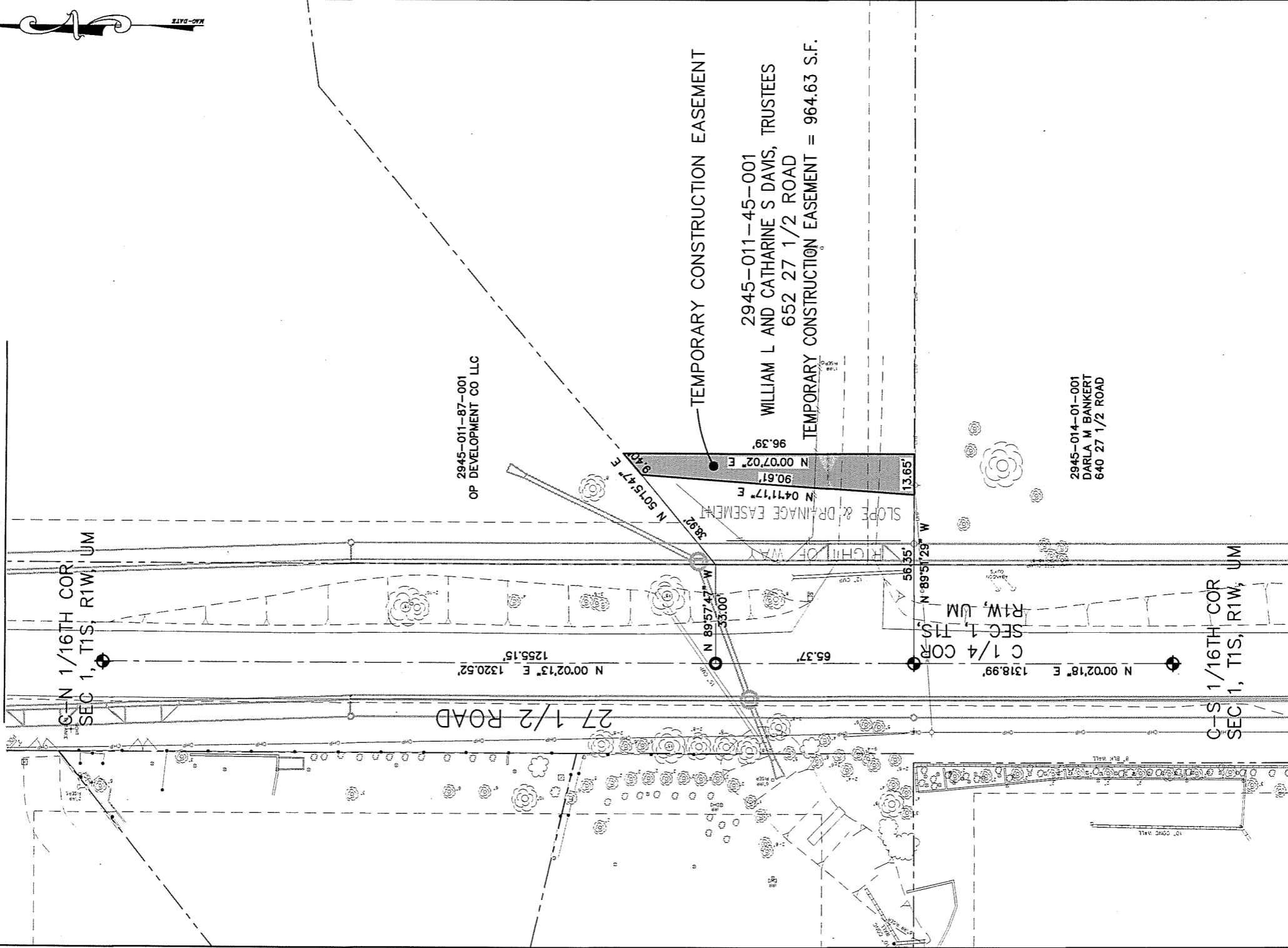


DRAWN BY: JCS
 DATE: 2-2-99
 SCALE: 1" = 40'
 APPR. BY: IW
 FILE NO: 01145001.DWG

RIGHT-OF-WAY DESCRIPTION MAP
 27 1/2 ROAD - PATTERSON ROAD TO C ROAD

DEPARTMENT OF PUBLIC WORKS
 ENGINEERING DIVISION
 CITY OF GRAND JUNCTION

EXHIBIT "B"



DRAWN BY: JCS
DATE: 2-2-99
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APPR. BY: TW
FILE NO: 01145001.DWG

RIGHT-OF-WAY DESCRIPTION MAP
27 1/2 ROAD - PATTERSON ROAD TO C ROAD

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