

## DEVELOPMENT IMPROVEMENTS AGREEMENT

1. **Parties:** The parties to this Development Improvements Agreement ("Agreement") are Sonshine II Construction ("Developer") and the **City of Grand Junction**, Colorado ("City"). + Development

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

2. **Effective Date:** The Effective Date of the Agreement shall be the date that it is signed by the Public Works & Planning Director, which shall be no sooner than recordation of the final plat or final plan approval whichever first occurs.

### RECITALS

The Developer seeks permission to develop property, described on Exhibit A attached and incorporated by this reference ("the Property" or "Property"). The Property, known as ARBORS Subdivision 2A has been reviewed and approved under Planning file # FP-2008-038 ("Development" or "the Development").

The City seeks to protect the health, safety and general welfare of the community by requiring the completion of various improvements to the Property and limiting the harmful effects of substandard development.

A further purpose of this Agreement is to protect the City from the cost of completing necessary improvements itself; this Agreement is not executed for the benefit of materialmen, laborers or others providing work, services or material to the Developer and/or the Property or for the benefit of the owner(s), purchaser(s) or user(s) of the Property.

The mutual promises, covenants and obligations contained in this Agreement are authorized by state law, the Colorado Constitution and City's land development ordinances and regulations.

### DEVELOPER'S OBLIGATION

3. **Improvements:** The Developer shall design, construct and install, at its own expense, those on-site and off-site improvements listed on Exhibit B attached and incorporated by this reference ("Improvements" or "the Improvements").

3a. On and after the Effective Date of this Agreement the Developer agrees to pay the City for its Administration and Inspection of the Development. The hourly rate for those services is \$45.00/hour. Administration and Inspection includes but is not limited to the time expended by the City's planner, engineer, construction inspector and attorney in directing, advising, correcting and enforcing by means other than litigation, this agreement and/or the approved development plan. Making

disbursements and calling/collecting Guarantees are Administration and Inspection services and shall be charged at \$45.00/hour. See, paragraph 19 concerning attorneys'/ litigation fees.

3b. The scope of this project is such that the City may have to engage independent consultants(s) to adequately provide inspection services; Developer agrees to pay such costs, in addition to all others for which Developer is responsible hereunder.

3c. The Developer's obligation to complete the Improvements is and shall be independent of any obligations of the City contained herein.

4. **Security:** To secure the performance of its obligations under this Agreement the Developer shall supply a guarantee. The Developer is required to post security in an amount of \$252,540.98 (120% of the amount for the Improvements) in a form and with terms acceptable to the City ("Guarantee"). The Guarantee shall be in the form of a cash deposit made to the City, a letter of credit or a disbursement agreement in a form and with content approved by the City Attorney. The Guarantee specific to this Agreement is attached as Exhibit C and is incorporated by this reference as if fully set forth.

Select one: Cash  Letter of Credit (LOC)  Disbursement Agreement

*PIAT Hold*

5. **Standards:** The Developer shall construct the Improvements according to the City's standards and specifications.

6. **Warranty:** The Developer shall warrant the Improvements for one year following Acceptance by the City. "Warrant" or "Warranty" as used herein means the Developer shall take such steps and incur such costs as may be needed so that the Improvements or any portion or phase thereof as repaired and/or replaced, shall comply with the Development's construction plans and/or site plan, City standards and specifications at the end of the warranty period. The Developer shall warrant each repaired and/or replaced Improvement or any portion or phase thereof for one year following Acceptance of such repair and/or replacement.

6a. Upon Acceptance the Developer shall provide a Maintenance Guarantee in an amount of \$ 42,090.16 (Line G2, Exhibit B, City Security).

6b. The Maintenance Guarantee shall be secured by a letter of credit, cash escrow or other form acceptable to the City.

7. **Commencement, Completion and Abandonment Periods:** The Developer shall commence work on the Improvements within 30 days from the Effective Date of this Agreement; that date is known as the "Commencement Date."

7a. The Developer shall complete the Improvements by the end of the twelfth month from the Effective Date of this Agreement; that date is known as the "Completion Date."

7b. The Developer shall not cease construction for any period of more than 60 consecutive days. If construction is ceased for 60 or more consecutive days the Director may deem the Development abandoned ("the Abandonment Period").

7c. The Commencement date and the Completion Date are as follows:

Commencement Date: 6-1-10  
Completion Date: 7-31-11

8. **Compliance with Law:** The Developer shall comply with all applicable federal, state and local laws, ordinances and regulations when fulfilling its obligations under their Agreement. When necessary to protect the public health, safety or welfare, the Developer shall be subject to laws, ordinances and regulations that become effective after the Effective Date.

9. **Notice of Defect:** The Developer by and through his/her/its engineer shall provide timely written notice to the issuer of the Guarantee and the Director when the Developer and/or his/her/its engineer has knowledge, that an Improvement or any part or portion of any Improvement either does not conform to City standards or is otherwise defective.

9a. The Developer shall correct all non-conforming construction and/or defects within thirty (30) days from the issuance of the notice by his/her/its engineer of a/the defect.

10. **Acceptance of Improvements:** The City shall not accept and/or approve any or all of the Improvements until the Developer presents a document or documents for the benefit of the City showing that the Developer owns the Improvements in fee simple, or as accepted by the City Attorney, and that there are no liens, encumbrances or other restrictions on the Improvements other than those that have been accepted by the City Attorney.

10a. Approval and/or acceptance of any Improvement(s) does not constitute a waiver by the City of any right(s) that it may have on account of any defect in or failure of the Improvement that is detected or which occurs after approval and/or acceptance.

10b. Acceptance by the City shall only occur when the City Engineer, sends a writing to such effect ("Acceptance").

11. **Reduction of Security:** Upon Acceptance of any Improvement(s) the amount which the City is entitled to draw on the Guarantee shall be reduced by an amount of ~~\$210,450.80~~ (see G1, Exhibit B, Total Improvement Costs).

11a. At the written request of the Developer, the City shall execute a certificate verifying Acceptance of the Improvement and thereafter waiving its right to draw on

the Guarantee to the extent of such amount. A Developer in default under this Agreement has no right to such certification.

**12. Use of Proceeds:** The City shall use funds deposited with it, drawn or guaranteed pursuant to this Agreement only for the purpose of completing the Improvements or correcting defects in or failure of the Improvements or paying Administration and Inspection fees.

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

13a. Developer's failure to complete each portion of the Improvements on or before the Completion Date;

13b. Developer's failure to demonstrate reasonable intent to correct defective construction of any Improvements within the applicable warranty period;

13c. Developer's insolvency, the appointment of a receiver for the Developer or the filing of a voluntary or involuntary petition in bankruptcy respecting the Developer. In such event the City may immediately declare a default without prior notification to the Developer;

13d. Notification to the City, by any lender with a lien on the Property, of a default by Developer on any obligation to such lender. In such event, the City may immediately declare a default without prior notification to the Developer.

13e. With regard to the Property or any portion thereof: initiation of any foreclosure action regarding any lien or encumbrance; or initiation of mechanics lien(s) procedure(s); or assignment or conveyance of the Property in lieu of foreclosure. In such event the City may immediately declare a default without prior notification to the Developer.

13f. Notification to the City from the bank issuing the Guarantee that it will not renew the Guarantee at a time when security is still required hereunder and no substitute collateral acceptable to the City has been provided by the Developer.

13g. Except as provided, the City may not declare a default until written notice has been sent to the Developer at the address shown in the development file. Notice is and shall be deemed effective two calendar days after mailing thereof by first class United States mail, postage prepaid.

**14. Measure of Damages:** The measure of damages for breach of this Agreement by the Developer shall be the reasonable cost of satisfactorily completing the Improvements, plus reasonable expenses. Expenses may include but are not limited to contracting costs, collection costs and the value of planning, engineering, legal and administrative staff time devoted to the collection/completion of the Improvements.



For Improvements upon which construction has not begun, the estimated costs of the Improvements as shown on Exhibit B shall be *prima facie* evidence of the minimum cost of completion; however, the maximum amount of the Developer's liability shall not be established by that amount or the amount of the Guarantee.

**15. City's Rights Upon Default:** When any event of default occurs, the City may draw on the Guarantee or proceed to collect any other security to the extent of the face amount of the Guarantee less eighty percent (80%) of the estimated cost (as shown on Exhibit B) of all Improvements for which the City has given its Acceptance and no warranty work is reasonably required. The City may also exercise its rights to disbursement of loan proceeds or other funds under the City improvements disbursement agreement.

15a. The City shall have the right to complete Improvements itself or it may contract with a third party for completion.

15b. The Developer grants to the City, its successors, assigns, agents, contractors and employees, a nonexclusive right and easement to enter the Property for the purposes of constructing, reconstructing, maintaining, inspecting and repairing the Improvements.

15c. The City may assign the proceeds of the Guarantee or other funds or assets that it may receive in accordance with this Agreement to a subsequent developer or lender that has acquired the Property by purchase, foreclosure or otherwise.

15d. That developer or lender shall then have the same rights of completion as the City if and only if the subsequent developer or lender agrees in writing to complete or correct the Improvements and provides to the City reasonable security for that obligation.

15e. These remedies are cumulative in nature and are in addition to any other remedies the City has at law or in equity.

**16. Indemnification:** The Developer expressly agrees to indemnify and hold the City, its officers, employees, agents and assigns ("City") harmless from and against all claims, costs and liabilities of every kind and nature, for injury or damage received or sustained by any person or entity in connection with or on account of the performance or non-performance of work at the Property and/or the Improvements and/or the Development that is being done pursuant to this Agreement.

16a. The Developer further agrees to aid and defend the City in the event that the City and/or the Improvements is named as a defendant in an action concerning the performance of work pursuant to this Agreement except for a suit wherein the Developer states claim(s) against the City.

16b. The Developer is not an agent, partner, joint venturer or employee of the City.

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

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

19. **Attorney's Fees:** Should either party be required to resort to litigation to enforce the terms of this Agreement, the prevailing party, plaintiff or defendant, shall be entitled to costs, including reasonable attorney's fees and expert witness fees, from the opposing party. The City shall be entitled to claim the value of its in-house attorneys at the rate of \$125.00 per hour. If relief is awarded to both parties the attorney's fees may be equitably divided between the parties by the decision maker.

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

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

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

23. **Time:** For the purpose of computing the Abandonment Period and Commencement and Dates, such times in which war, civil disasters or acts of God occurs or exist shall not be included if such prevents the Developer or City from performing its obligations under the Agreement. The Developer must notify the City in writing if/when it asserts impossibility of performance under this paragraph. The City may reject the Developer's assertion, if it finds, in writing that the condition(s) that the Developer asserts do not exist.

24. **Severability:** If any part, term or provision of this Agreement is held by a court of competent jurisdiction to be illegal or otherwise unenforceable, such illegality or unenforceability shall not affect the validity of any other part, term or provision. The

rights of the parties shall be construed as if the part, term or provision was never part of the Agreement.

25. **Benefits:** The benefits of this Agreement to the Developer are personal and may not be assigned without the express written approval of the City. Such approval may not be unreasonably withheld but any unapproved assignment is void.

25a. Notwithstanding the foregoing, the burdens of this Agreement are personal obligations of the Developer and also shall be binding on the heirs, successors and assigns of the Developer and shall be a covenant(s) running with the Property.

25b. There is no prohibition on the right of the City to assign its rights under this Agreement.

25c. Upon written request from the Developer the City shall expressly release the original Developer's Guarantee and/or contract obligations if it accepts new security from any developer or lender who obtains the Property, however, no other act of the City shall constitute a release of the original Developer from his liability under this Agreement.

25d. When the City has issued its Acceptance regarding the Improvements, the City agrees to state the same in writing, with appropriate acknowledgments.

25e. The City shall sign a release only after all warranty periods, as extended by litigation, repair or alteration work, have expired.

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

If to Developer: Sonshine II Construction + Development -Developer/Company  
2350 G Rd Address (Street and Mailing)  
Grand Jct. CO 81505 City, State & Zip Code  
(970) 255-8853 x 130 Telephone and Fax Numbers  
(970) 245-1452  
Kkerk @ Bluestarindustries.com

Cc:

If to City: Office of the City Attorney  
250 North 5<sup>th</sup> Street  
Grand Junction, CO 81501

Cc: Public Works & Planning Department  
250 North 5<sup>th</sup> Street  
Grand Junction, CO 81501

27. **Recordation:** Developer shall pay the costs to record a memorandum of this Agreement (Exhibit D) in the records of the Mesa County Clerk and Recorder's Office. The Developer may, at his/her/its option record the entire agreement.

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

29. **Personal Jurisdiction and Venue:** Personal jurisdiction and venue for any action commenced by either party to this Agreement whether arising out of or relating to the Agreement, the Guarantee, the Maintenance Guarantee or any action based arising out of or under this Agreement shall be deemed to be proper only if such action is commenced in Mesa County, Colorado.

29a. The Developer expressly waives his/her/its right to bring such action in or to remove such action to any other court whether state or federal.

30. **Liability before Acceptance:** The City shall have no responsibility or liability with respect to any street or other Improvement(s), notwithstanding the use of the same by the public, unless the street or other Improvement shall have received Acceptance by the City.

30a. If the City allows a street to be constructed in stages, the Developer of the first one-half street opened for traffic shall construct the adjacent curb, gutter and sidewalk in the standard location and shall construct the required width of pavement from the edge of gutter on the side of the street nearest the property to enable an initial two-way traffic operation without on-street parking.

30b. Developer shall also construct and pay for end-transitions, intersection paving, drainage facilities and adjustments to existing utilities necessary to open the street to traffic.

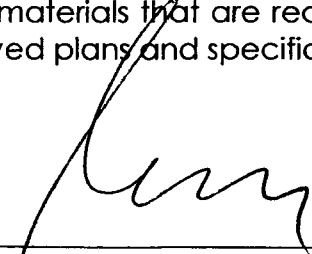
30c. The City shall not issue its written Acceptance with regard to any Improvement(s) including any street, storm drainage facility, sewer, water facility or other required Improvement(s), until the Developer:

(i) furnishes to the City Engineer as-built drawings in reproducible form, blue line stamped and sealed by a professional engineer and in computer disk form and copies of results of all construction control tests required by City specification;

(ii) provides written evidence to the City Engineer under signature of a qualified expert that the earth, soils, lands and surfaces upon in and under which the Improvement(s)

have been constructed or which are necessary for the Improvements are free from toxic, hazardous and other regulated substances or materials;  
(iii) provides written evidence to the City Attorney that the title to lands underlying the Improvements are free and clear from all liens and encumbrances, except those items and encumbrances which may be approved in writing by the City Attorney; and  
(iv) provides written evidence, certified by the Developer's engineer, that the work was systematically inspected and tested and that the materials and the compaction of the materials that are required to be compacted, were in conformance with City-approved plans and specifications.

By:

  
\_\_\_\_\_  
Developer L. John Davis Date 5-12-10  
Name (printed)

Corporate Attest:

\_\_\_\_\_  
Name Date

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

  
\_\_\_\_\_  
Public Works & Planning Dept. Date 5.20.10

5/15/2007

Exhibit "A"

## Legal Description for Arbors Filing 2-A

A Replat of Tract 1-A, Arbors Subdivision Filing One

Located in the Southwest 1/4 of the Northwest 1/4 of Section 8,

Township 1 south, Rand 1 East of the Ute Meridian, City of Grand Junction,

Mesa County, Colorado, Recorded in Book 4479, Page 569, Reception #2393172

## Arbors Filling 2A

December 17, 2009

## Exhibit B

Item #	Item Description	Unit	Quantity	Unit Cost	Extended Cost
<b>A. SANITARY SEWER</b>					
1	8" PVC Sanitary Sewer Main	LF	327	\$23.00	\$ 7,521.00
2	Sewer services (4")	LF	187	\$12.60	\$ 2,356.20
3	Sanitary Sewer Manhole	EA	3	\$1,501.00	\$ 4,503.00
4	Concrete Encasement	LF	40	\$22.10	\$ 884.00
5	8 x 4 Full Body Wyes	EA	6	\$57.60	\$ 345.60
<b>Subtotal Part A Sanitary Sewer</b>					<b>\$ 15,609.80</b>
<b>B. DOMESTIC WATER</b>					
1	8" PVC Water Main	LF	485	\$25.00	\$ 12,125.00
2	Water Valve 8"	EA	4	\$1,200.00	\$ 4,800.00
3	Water Service	LF	295	\$14.92	\$ 4,401.40
4	Fire Hydrant with Valve	EA	1	\$3,540.00	\$ 3,540.00
5	Tees	EA	3	\$402.00	\$ 1,206.00
6	Bends	EA	2	\$248.00	\$ 496.00
7	Blow-offs	EA	2	\$156.00	\$ 312.00
8	Meters-Installation	EA	14	\$244.00	\$ 3,416.00
<b>Subtotal Part B - Domestic Water</b>					<b>\$ 30,296.40</b>
<b>C1 STREETS</b>					
1	Mill, prep, pave 3" of asphalt	SF	540	\$6.00	\$ 3,240.00
2	Aggregate Base Course (Class 6) (16" Compacted Thickness)	TN	1400	\$20.00	\$ 28,000.00
3	Hot Bituminous Paving, Grading C (3" thick)	TN	265	\$100.00	\$ 26,500.00
4	Curb and Gutter 2' Wide	LF	390	\$12.00	\$ 4,680.00
5	Attached Curb, Gutter, Sidewalk 6.5' Wide	LF	387	\$19.00	\$ 7,353.00
6	Detached Sidewalk 5' Wide	LF	372	\$15.00	\$ 5,580.00
7	Concrete Gutter - Parking Area	LF	35	\$14.00	\$ 490.00
8	Concrete Alley	SF	8010	\$3.75	\$ 30,037.50
9	Concrete Curb Ret	SF	2433	\$5.50	\$ 13,381.50
10	Street Signs	EA	5	\$250.00	\$ 1,250.00
11	Street Lights	EA	2	\$1,500.00	\$ 3,000.00
12	Class 6 6" (under concrete areas)	TN	610	\$20.00	\$ 12,200.00
13	Remove/replace base/asphalt for sewer repair	LS	1	\$4,000.00	\$ 4,000.00
<b>Subtotal Part C - Streets</b>					<b>\$ 139,712.00</b>
<b>D1 EARTHWORK</b>					
1	Mobilization -Dirt / Paving Crews	LS	1	\$2,500.00	\$ 2,500.00
2	Clearing and Grubbing	LS	1	\$500.00	\$ 500.00
3	Unclassified Excavation	CY		\$2.00	\$ -
4	Unclassified Embankment	CY		\$2.00	\$ -
5	Silt Fence	LF		\$2.25	\$ -
6	Watering (Dust Control)	LS		\$1,500.00	\$ -
<b>D2 REMOVALS AND RESETTING</b>					

1	Adjust Manhole	EA	3	\$500.00	\$ 1,500.00
2	Adjust Valvebox	EA	4	\$150.00	\$ 600.00
<b>D3 SEEDING AND SOIL RETENTION</b>					
1	Hydraulic Seed and Mulching	SF			\$ -
<b>D4 STORM DRAINAGE FACILITIES</b>					
1	8" Storm Sewer	LF	352	\$15.10	\$ 5,315.20
2	Detention Area Outlet structure	EA	0		\$ -
3	V Pan	SF	286	\$5.50	\$ 1,573.00
<b>Subtotal Part D - Grading and Drainage</b>					<b>\$ 11,988.20</b>
<b>E1 IRRIGATION</b>					
1	4" Class 160 PVC Irrigation Pipe	LF			\$ -
2	Services	EA			\$ -
3	Pump House	LS			\$ -
<b>E2 LANDSCAPING</b>					
1	Crushed Granite (at Ped. Trail)	SF			\$ -
<b>E Subtotal Part E - Landscaping and Irrigation</b>					<b>\$ -</b>
<b>Subtotal Construction Costs</b>					<b>\$ 197,606.40</b>
<b>F. Miscellaneous Items</b>					
1	Construction staking/surveying	%	2.00%		\$ 3,952.13
2	Developer's inspection cost	%			
3	General construction supervsn	%			
4	Quality control testing	%	2.00%		\$ 3,952.13
5	Construction traffic control	%			
6	City inspection fees	%	0.50%		\$ 988.03
7	As-builts	%	2.00%		\$ 3,952.13
<b>F Subtotal Part F - Miscellaneous Items</b>					<b>\$ 12,844.42</b>
% = Percentage of total site construction costs					
<b>G. COST SUMMARY</b>					
<b>1 Total Improvement Costs</b>					<b>\$ 210,450.82</b>
<b>2 City Security (20%)</b>					<b>\$ 42,090.16</b>
<b>3 Exhibit B-1 Offsite</b>					
<b>Total Guarantee Amount</b>					<b>\$ 252,540.98</b>



Item #	Item Description	Unit	Quantity	Unit Price	Extended Price
<b>F.</b>	<b>Miscellaneous Items</b>				
1	Construction staking/surveying	%	2.00%	\$ -	
2	Developer's inspection cost	%		\$ -	
3	General construction supervsn	%		\$ -	
4	Quality control testing	%	2.00%	\$ -	
5	Construction traffic control	%		\$ -	
6	City inspection fees	%	0.50%	\$ -	
7	As-builts	%	2.00%	\$ -	
<b>Subtotal Part F - Miscellaneous Items</b>					<b>\$ -</b>

% = Percentage of total site construction costs

**COST SUMMARY:**

<b>G1</b>	<b>Total Improvement Costs</b>	<b>\$210,450.82</b>
<b>G2</b>	<b>City Security (20%)</b>	<b>\$ 42,090.16</b>
<b>Total Guarantee Amount</b>		<b>\$252,540.98</b>

**NOTES**

1. All prices shall be for items complete in place and accepted.
2. All pipe prices shall include excavation, pipe, bedding, backfill, and compaction.
3. Water main shall include pipe, excavation, bedding, backfill, bends, and appurtenances not itemized elsewhere.
4. All concrete items shall include Aggregate Base Course where required by the drawings.
5. Fill in the pipe type for irrigation pipe and sleeves.
6. Reconditioning shall be calculated to at least 6" outside of back of walk on both sides.
7. Units can be changed if desired, simply annotate what is used.
8. Additional lines or items may be added as needed.

  
 \_\_\_\_\_  
 Signature of Developer

5-18-10  
 \_\_\_\_\_  
 Date

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

I have reviewed the estimated costs and time schedule shown above and, based on the construction drawings submitted to date and the current cost of construction, I take no exception to the above.

  
 \_\_\_\_\_  
 City Development Engineer

5/20/10  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 Planning Division

5.20.10  
 \_\_\_\_\_  
 Date

# Recording Fee

Date	May 21, 2010
Project File No.	FP-2008-038
Project Name	Arbors Subdivision, Filings 2 & 3
Project Location	2910 Orchard Ave
Purpose of DIA	
Payee Name	Sonshine II Construction
Payee Mailing Address	2350 G Rd
Payee City, State Zip Code	Grand Junction, CO 81505
Payee Telephone No.	255-8853
DIA Expiration Date	
Project Planner	Lori Bowers
Project Engineer	Eric Hahn

## ACCOUNTING INFORMATION

	AMOUNT	DATE	REFERENCE (Cash or Check)
RECORDING FEE COLLECTED	\$ 12.00	05/18/10	check # 9342
RECORDING FEE FOR RECORDING MEMORANDUM	\$ 6.00	05/21/10	
BALANCE	\$ 6.00		

Recording Fee Account No.

**MESA COUNTY CLERK &  
RECORDERS ESCROW  
ACCT**

**RECORDING MEMORANDUM**  
**Exhibit D**

City of Grand Junction  
Public Works and Planning Department  
File: # *Fp-2008-038*


This memorandum relates to and confirms that certain Development Improvements Agreement and/or Maintenance Guarantee concerning land in Mesa County, Colorado. The Agreement is by and between *Sunshine II Construction (Developer)* and the City of Grand Junction (City) pertaining to *ARBOR Subdivision Project*, located at *29 Rd. and Orchard Ave.* *2A*

The Developer of the Project was required by law to install and construct certain public and private improvements, the completion of which was guaranteed by a Development Improvements Agreement and/or Maintenance Guarantee. The Project is required to be constructed in accordance with the approval by the City pursuant to and in accordance with the Zoning and Development Code all as more fully detailed and described in City of Grand Junction development file # *FP-2008-038*

The Developer and the City of Grand Junction by and through the signatures of the undersigned have determined and agreed to the type, quality and amount of improvements required and/or necessitated by the approval of the Project and that the improvements are guaranteed by and through the Development Improvements Agreement and /or Maintenance Guarantee. Furthermore, the Developer and the City agree that the Development Improvements Agreement and/or Maintenance Guarantee are contractual in nature and that the obligations under the Development Improvements Agreement and/or Maintenance Guarantee shall not be assigned except as provided in the agreement(s).


By virtue of this notice being recorded in the land records of the Mesa County Clerk and Recorder, subsequent owners and/or those that claim by, through or under the Developer are on notice of the Developer's obligations under the agreement(s).

NOW THEREFORE, the Developer and an official of the City of Grand Junction, both possessing and representing by their signatures that they possess sufficient authority, do hereby memorialize the relative, rights and obligations contained in the Development Improvement Agreement and/or Maintenance Guarantee herein characterized.

DEVELOPER:  
By:  *5-18-10*  
Date  
(Print Name) *L. John Davis*

**CITY OF GRAND JUNCTION:**

In accordance with the above, I hereby certify that the Development Improvement Agreement and/or Maintenance Guarantee are made of record by this memorandum and that the same may be inspected and/or copied at the City of Grand Junction, Public Works & Planning Department, 250 N. 5<sup>th</sup> Street, Grand Junction Colorado.

  
Public Works & Planning Department *5-20-10*  
Date

2 PAGE DOCUMENT

**WARRANTY DEED**

THIS DEED is dated September 22, 2010 and is made between The Arbors at Grand Junction LLC, the "Grantor," a corporation duly organized and existing under and by virtue of the laws of the State of Colorado and the City of Grand Junction, the "Grantee," a Colorado Municipal Corporation, whose address is 250 North 5<sup>th</sup> Street, Grand Junction, Colorado; 81501

**WITNESS**, that the Grantor, for and in consideration of the sum of ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby grants, bargains, sells, conveys and confirms unto the Grantee and its successors and assigns forever, all the real property, together with any improvements thereon, located in the County of Mesa and the State of Colorado, described as follows:

Lot 5, block 6, The Arbors at Grand Junction Filing 2A

**TOGETHER** with all and singular the hereditaments and appurtenances thereunto belonging, or in any wise appertaining, the reversions, rents, remainders, issues and profits thereof, and all the estate, right, title, interest, claim and demand whatsoever of the Grantor, either in law or in equity, of, in and to the above bargained premises, with the hereditaments and appurtenances;

**TO HAVE AND TO HOLD** the said premises above bargained and described, with the appurtenances, unto the Grantee and its successors and assigns forever.

The Grantor for itself and its successors and assigns does covenant, grant, bargain and agree to and with the Grantee and its successors and assigns: that at the time of the ensembling and delivery of these presents, the Grantor is well seized of the premises above described; has good, sure, perfect, absolute and indefeasible estate of inheritance in law and 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 and subject to:

NONE

And the Grantor shall and will **WARRANT THE TITLE AND DEFEND** the above described premises, but not any adjoining vacated street or alley, if any, in the quiet and peaceable possession of the Grantee and its successors and assigns against all and every person or persons claiming the whole or any part thereof.

**IN WITNESS WHEREOF**, the Grantor has caused its corporate name to be hereunto subscribed by a duly authorized signator thereof and its corporate seal to be affixed hereto and attested by its secretary or other appropriate officer on the date set forth above.



ATTEST: *[Signature]* GRANTOR: *[Signature]*  
 Its: Accounting Manager By: The Arbors at Grand Junction, LLC  
 Name: \_\_\_\_\_  
 Its: \_\_\_\_\_

COUNTY OF MESA )  
 ) ss  
 STATE OF COLORADO )

The foregoing instrument was subscribed and sworn to before me this 22<sup>ND</sup> day of September, 2010 by *[Signature]*

My commission expires: 04/14/2014

*[Signature]*  
 Notary Public



My Commission Expires 04/14/2014



**Shelly Dackonish - Re: Arbors request letter**

---

**From:** Tim Moore  
**To:** Dackonish, Shelly  
**Date:** 9/7/2010 9:55 AM  
**Subject:** Re: Arbors request letter  
**Attachments:** Arbors DIA Lot Hold Request Tim Moore.doc

---

Thanks Shelly,  
I'll pass your requests on to John attached the letter. Tim

>>> Shelly Dackonish 9/7/2010 9:43 AM >>>  
Tim,

I will be working with you on this. I need title work on the parcel to show he owns it free and clear. Also I would like a current professional analysis of the value of the lot. Once I have the title work and the appraisal, I can draw up the DOT.

I was not cc'd on Mr. Davis' letter; could you please forward it to me? Thank you.

Shelly

>>> Tim Moore 9/3/2010 5:10 PM >>>

John,  
Apparently he does own the lot free and clear. Do you want me to work with Shelly directly to get the specifics worked out? Tim

>>> John Shaver 8/31/2010 5:13 PM >>>

Tim,

Does John own it free and clear? In order to be secure that needs to be the case.

We will put together a deed of trust and will confirm that nothing is owed. Once those things are done we will forward the paperwork to John.

If you have any questions or if we may otherwise be of assistance on this or any other matter, please let me know.

John

This electronic mail transmission is from John P. Shaver, City Attorney for the City of Grand Junction, CO. The information contained in this message may be privileged and/or confidential, protected by the attorney-client privilege or the attorney work product doctrine. The privileges are not waived by virtue of this message being sent to you in error. If the person receiving this message or any other reader of the message is not the intended recipient, please note that disclosure, copying, distribution or use of the information contained in the message is prohibited. If you have received this message in error, please immediately return it via e-mail and then delete the message by which it is returned. >>> Tim Moore 8/31/2010 4:46 PM >>>

John,  
I had a conversation with John Davis two weeks ago about securing the 1 year warranty with a lot rather than cash. The 20% security deposit totals \$42,090 and he estimates the lot to be worth about the same amount. The attached letter talks about a "hold" on a lot . . . , is that the form we want or would we want something more like a deed? Let me know what you think about holding a lot for collateral and what form the security should be. Thanks John, Tim



# BLUE STAR INDUSTRIES, LLC

*Defining the Way the World Builds*



September 7, 2010

Tim Moore, Public Works and Planning Director  
City of Grand Junction

RE: Arbors Subdivision Filing 2A

Dear Tim Moore,

On behalf of Blue Star Industries, LLC and The Arbors at Grand Junction, LLC, I would like to formally request a special consideration in regards to the Arbors Subdivision Filing 2A, Disbursement Agreement, more specifically, to the 20% City Security Deposit.

At this time we would like to propose that the City of Grand Junction place a hold on one lot of The Arbors Subdivision, Filing 2A, in place of the cash or the L.O.C. for the security deposit on this project. The security dollar amount as per our DIA Agreement is \$42,090.16. In addition, this "one lot hold" could remain in place and secure the one year warranty/ maintenance period.

Considering these economic times and overall atmosphere throughout the banking industry, we are all definitely trying to determine a variety of options which would allow projects to move forward at the developer's expense. The cost of infrastructure improvements is being paid for in cash by Blue Star Industries and placing a hold on one lot for security purposes would allow us to move forward immediately with construction of new homes, as soon as Final Acceptance of the Roads and the recording of the plat has been completed.

Thank you very much for your time and consideration of our request.

Sincerely,

Kim Kerk  
Land Development Supervisor  
Blue Star Industries, LLC  
[kkerk@bluestarindustries.com](mailto:kkerk@bluestarindustries.com)  
970-640-6913

CC: L. John Davis, President/ Owner  
Blue Star Industries, LLC  
The Arbors at Grand Junction, LLC



**Land Title Guarantee Company - Grand Junction**  
**CUSTOMER DISTRIBUTION**

**Date:** 09-10-2010

**Our Order Number:** GJIF65013643\*2

**Property Address:**  
NONE GRAND JUNCTION CO 81501

ARBORS AT GRAND JUNCTION LLC  
2350 G ROAD  
GRAND JUNCTION, CO 81505  
Attn: JOHN DAVIS  
Phone: 970-255-8853  
Fax: 970-245-1452  
Copies: 1  
Customer will Pick Up

BLUE STAR INDUSTRIES  
2350 G ROAD  
GRAND JUNCTION, CO 81501  
Attn: KIM KERK  
Phone: 970-255-8853  
Fax: 970-245-1452  
Copies: 1  
EMail: kkerk@bluestarindustries.com  
Sent Via EMail

If you have any inquiries or require further assistance, please contact Policy Department

**Phone:** 970-245-0550      **Fax:** 970-245-0089

### PROPERTY INFORMATION BINDER

This Policy is issued in lieu of Policy No. MTAQ65013643\*1 which is(are) hereby cancelled.

Our Order No. GJIF65013643\*2

Liability:

Fee: \$0.00

Subject to the exclusions from coverage, the limits of liability and other provisions of the Conditions and Stipulations hereto annexed and made a part of this Binder,

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY  
a Corporation, herein called the Company,

#### GUARANTEES

THE ARBORS AT GRAND JUNCTION, LLC, ITS SUCCESSORS AND/OR ASSIGNS

herein called the Assured, against loss, not exceeding the liability amount stated above, which the assured shall sustain by reason of any incorrectness in the assurance which the Company hereby gives that, according to the public records as of September 09, 2010 at 8:00 A.M.

1. Title to said estate or interest at the date hereof is vested in:

THE ARBORS AT GRAND JUNCTION, LLC

2. The estate or interest in the land hereinafter described or referred to covered by this Binder is:

A Fee Simple

Land Title Guarantee Company - Grand Junction  
Representing Old Republic National Title Insurance Company



3. The land referred to in this Binder is situated in the State of Colorado, County of MESA described as follows:

TRACT 1-A OF ARBORS SUBDIVISION, FILING ONE, COUNTY OF MESA, STATE OF COLORADO.

4. The following documents affect the land:

1. RIGHT OF WAY FOR DITCHES OR CANALS CONSTRUCTED BY THE AUTHORITY OF THE UNITED STATES TOGETHER WITH THE RIGHT OF PROPRIETOR OF A VEIN OR LODE TO EXTRACT AND REMOVE HIS ORE THEREFROM SHOULD THE SAME BE FOUND TO INTERSECT SAID PREMISES AS RESERVED IN UNITED STATES PATENT RECORDED JANUARY 27, 1909 IN BOOK 70 AT PAGE 490.
2. TERMS, CONDITIONS, STIPULATIONS, OBLIGATIONS AND PROVISIONS OF A MUTUAL AGREEMENT FOR AN IRRIGATION DITCH ON THE SUBJECT PROPERTY, AS CONTAINED IN WARRANTY DEED RECORDED APRIL 20, 1960 IN BOOK 778 AT PAGE 197.
3. ONE-HALF OF ALL THE OIL, GAS AND OTHER HYDROCARBON MINERALS CONTAINED IN SAID LAND, TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS AT ALL TIMES FOR THE PURPOSE OF OPERATING AND DEVELOPING SAID LAND FOR OIL, GAS AND OTHER MINERALS, AND MARKETING THE SAME THEREFROM, TOGETHER WITH THE RIGHT OF THE SAID GRANTORS, THEIR HEIRS AND ASSIGNS, TO ENTER UPON AND USE AS MUCH OF THE SURFACE OF SAID LANDS AS MAY BE NECESSARY IN THE EXPLORATION, DEVELOPMENT AND PRODUCTION OF SAID OIL, GAS AND OTHER HYDROCARBON MINERALS AND MARKETING THE SAME THEREFROM, AS RESERVED BY DAVID A. MOORE AND MYRTLE MOORE IN DEED RECORDED APRIL 20, 1960 IN BOOK 778 AT PAGE 197, AND ANY AND ALL ASSIGNMENTS THEREOF OR INTERESTS THEREIN.



**4. The following documents affect the land: (continued)**

4. RIGHTS OF SURFACE ENTRY AND ANY OTHER INCIDENTAL RIGHTS USED, CLAIMED OR ASSERTED UNDER ANY MINERAL RESERVATION, LEASE OR CONVEYANCE AFFECTING THE LANDS HEREIN.
5. TERMS, CONDITIONS, STIPULATIONS, OBLIGATIONS AND PROVISIONS OF NOTICE OF COMPLETION OF REMEDIAL ACTION, RECORDED JULY 6, 1988 IN BOOK 1700 AT PAGE 398.
6. TERMS, CONDITIONS, STIPULATIONS, OBLIGATIONS AND PROVISIONS OF MESA COUNTY, COLORADO RESOLUTION NO. MCM 2004-098, A RESOLUTION ACCEPTING CONTRACT FOR NEGOTIATED SALE AND PURCHASE IN LIEU OF CONDEMNATION AND ACCEPTING DEED CONVEYING RIGHT-OF-WAY, RECORDED MAY 24, 2004, IN BOOK 3659 AT PAGE 602.
7. EASEMENTS, CONDITIONS, COVENANTS, RESTRICTIONS, RESERVATIONS AND NOTES ON THE RECORDED PLAT.
8. RESTRICTIVE COVENANTS, WHICH DO NOT CONTAIN A FORFEITURE OR REVERTER CLAUSE, BUT OMITTING ANY COVENANTS OR RESTRICTIONS, IF ANY, BASED UPON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, HANDICAP, NATIONAL ORIGIN, ANCESTRY, OR SOURCE OF INCOME, AS SET FORTH IN APPLICABLE STATE OR FEDERAL LAWS, EXCEPT TO THE EXTENT THAT SAID COVENANT OR RESTRICTION IS PERMITTED BY APPLICABLE LAW, AS CONTAINED IN INSTRUMENT RECORDED JULY 26, 2007 IN BOOK 4479 AT PAGE 572. AMENDMENTS WERE RECORDED FEBRUARY 6, 2008 IN BOOK 4597 AT PAGE 964 AND MARCH 13, 2008 IN BOOK 4622 AT PAGE 741. FIRST SUPPLEMENT RECORDED NOVEMBER 18, 2009 IN BOOK 4943 AT PAGE 406.
9. PERPETUAL, NON-EXCLUSIVE EASEMENTS SHOWN ON THE PLAT OF ARBORS SUBDIVISION, FILING ONE AND IDENTIFIED THEREON AS THE IRRIGATION AND DRAINAGE EASEMENTS, CONVEYED TO ARBORS HOMEOWNERS ASSOCIATION, A COLORADO NON-PROFIT CORPORATION IN INSTRUMENT RECORDED JULY 26, 2007 IN BOOK 4479 AT PAGE 600.
10. PERPETUAL, NON-EXCLUSIVE EASEMENTS SHOWN ON THE PLAT OF ARBORS SUBDIVISION, FILING ONE AND IDENTIFIED THEREON AS THE CENTRAL GRAND VALLEY SANITATION DISTRICT EASEMENT, CONVEYED TO ARBORS HOMEOWNERS ASSOCIATION, A COLORADO NON-PROFIT CORPORATION IN INSTRUMENT RECORDED JULY 26, 2007 IN BOOK 4479 AT PAGE 602.



4. The following documents affect the land: (continued)

11. TERMS, CONDITIONS, STIPULATIONS, OBLIGATIONS AND PROVISIONS OF THE DEVELOPMENT IMPROVEMENTS AGREEMENT AND/OR MAINTENANCE GUARANTEE, AS EVIDENCED BY RECORDING MEMORANDUM RECORDED JULY 26, 2007 IN BOOK 4479 AT PAGE 603.

NOTE: RELEASE WAS RECORDED FEBRUARY 16, 2010 IN BOOK 4979 AT PAGE 731, SAID RELEASE BEING SUBJECT TO THE REQUIRED WARRANTY PERIOD.

12. DEED OF TRUST DATED JULY 26, 2007, FROM THE ARBORS AT GRAND JUNCTION, LLC, A COLORADO LIMITED LIABILITY COMPANY TO THE PUBLIC TRUSTEE OF MESA COUNTY FOR THE USE OF BANK OF OKLAHOMA, N.A., A NATIONAL BANKING ASSOCIATION TO SECURE THE SUM OF \$2,550,000.00 RECORDED JULY 26, 2007 IN BOOK 4479 AT PAGE 606, RE-RECORDED AUGUST 1, 2007 IN BOOK 4481 AT PAGE 1. FIRST AMENDMENT WAS RECORDED AUGUST 21, 2008 IN BOOK 4716 AT PAGE 545. DISBURSER'S NOTICE WAS RECORDED JULY 26, 2007 IN BOOK 4479 AT PAGE 624.

NOTE: THE COMMITMENT DOES NOT REFLECT THE STATUS OF TITLE TO WATER RIGHTS OR REPRESENTATION OF SAID RIGHTS.

NOTE: THIS BINDER IS NOT A REPORT OR REPRESENTATION AS TO MINERAL INTERESTS, AND SHOULD NOT BE USED, OR RELIED UPON, IN CONNECTION WITH THE NOTICE REQUIREMENTS THAT ARE SET FORTH IN CRS 24-65.5-103.

NOTE: ADDITIONAL UPDATES TO THE EFFECTIVE DATE OF THE BINDER MAY BE REQUESTED BY THE PROPOSED INSURED. ONE UPDATE IS INCLUDED WITH THIS BINDER AT NO ADDITIONAL COST. ANY ADDITIONAL UPDATES WILL BE ISSUED AT THE COST OF \$125 PER UPDATE. FOR EACH UPDATE PROVIDED, A REVISED BINDER WILL BE ISSUED SHOWING A NEW EFFECTIVE DATE AND ANY MATTERS RECORDED SINCE THE EFFECTIVE DATE OF THE PREVIOUS BINDER.



# Property Information Binder

## CONDITIONS AND STIPULATIONS

### 1. Definition of Terms

The following terms when used in this Binder mean:

- (a) "Land": The land described, specifically or by reference, in this Binder and improvements affixed thereto which by law constitute real property;
- (b) "Public Records"; those records which impart constructive notice of matters relating to said land;
- (c) "Date": the effective date;
- (d) "the Assured": the party or parties named as the Assured in this Binder, or in a supplemental writing executed by the Company;
- (e) "the Company" means Old Republic National Title Insurance Company, a Minnesota stock company.

### 2. Exclusions from Coverage of this Binder

The company assumes no liability including cost of defense by reason of the following:

- (a) Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; taxes and assessments not yet due or payable and special assessments not yet certified to the Treasurer's office.
- (b) Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
- (c) Title to any property beyond the lines of the Land, or title to streets, roads, avenues, lanes, ways or waterways on which such land abuts, or the right to maintain therein vaults, tunnels, ramps, or any other structure or improvement; or any rights or easements therein unless such property, rights or easements are expressly and specifically set forth in said description.
- (d) Mechanic's lien(s), judgment(s) or other lien(s).
- (e) Defects, liens, encumbrances, adverse claims or other matters: (a) created, suffered or agreed to by the Assured; (b) not known to the Company, not recorded in the Public Records as of the Date, but known to the Assured as of the Date; or (c) attaching or creating subsequent to the Date.

### 3. Prosecution of Actions

- (a) The Company shall have the right at its own costs to institute and prosecute any action or proceeding or do any other act which in its opinion may be necessary or desirable to establish or confirm the matters herein assured; and the Company may take any appropriate action under the terms of this Binder, whether or not it shall be liable thereunder and shall not thereby concede liability or waive any provision hereof.
- (b) In all cases where the Company does not institute and prosecute any action or proceeding, the Assured shall permit the Company to use, at its option, the name of the Assured for this purpose. Whenever requested by the Company, the Assured shall give the Company all reasonable aid in prosecuting such action or proceeding, and the Company shall reimburse the Assured for any expense so incurred.

### 4. Notice of Loss - Limitation of Action

A statement in writing of any loss or damage for which it is claimed the Company is liable under this Binder shall be furnished to the Company within sixty days after such loss or damage shall have been determined, and no right of action shall accrue to the Assured under this Binder until thirty days after such statement shall have been furnished, and no recovery shall be had by the Assured under this Binder unless action shall be commenced thereon with two years after expiration of the thirty day period. Failure to furnish the statement of loss or damage or to commence the action within the time hereinbefore specified, shall be conclusive bar against maintenance by the Assured of any action under this Binder.

### 5. Option to Pay, Settle or Compromise Claims

The Company shall have the option to pay, settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Binder, or to pay the full amount of this Binder. Such payment or tender of payment of the full amount of the Binder shall terminate all liability of the Company hereunder.



## 6. Limitation of Liability - Payment of Loss

- (a) The liability of the Company under this Binder shall be limited to the amount of actual loss sustained by the Assured because of reliance upon the assurances herein set forth, but in no event shall the liability exceed the amount of the liability stated on the face page hereof.
- (b) The Company will pay all costs imposed upon the Assured in litigation carried on by the Company for the Assured, and all costs and attorney's fees in litigation carried on by the Assured with the written authorization of the Company.
- (c) No claim for loss or damages shall arise or be maintainable under this Binder (1) if the Company after having received notice of any alleged defect, lien or encumbrance not shown as an Exception or excluded herein removes such defect, lien or encumbrance within a reasonable time after receipt of such notice, or (2) for liability voluntarily assumed by the Assured in settling any claim or suit without written consent of the Company.
- (d) All payments under this Binder, except for attorney's fees as provided for in paragraph 6(b) thereof, shall reduce the amount of the liability hereunder pro tanto, and no payment shall be made without producing this Binder or an acceptable copy thereof for endorsement of the payment unless the Binder be lost or destroyed, in which case proof of the loss or destruction shall be furnished to the satisfaction of the Company.
- (e) When liability has been definitely fixed in accordance with the conditions of this Binder, the loss or damage shall be payable within thirty days thereafter.

## 7. Subrogation Upon Payment or Settlement

Whenever the Company shall have settled a claim under this Binder, all right of subrogation shall vest in the Company unaffected by any act of the Assured, and it shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to the claim had this Binder not been issued. If the payment does not cover the loss of the Assured, the Company shall be subrogated to the rights and remedies in the proportion which the payment bears to the amount of said loss. The Assured, if requested by the Company, shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect the right of subrogation, and shall permit the Company to use the name of the Assured in any transaction or litigation involving the rights or remedies.

## 8. Binder Entire Contract

Any action or actions or rights of action that the Assured may have or may bring against the Company arising out of the subject matter hereof must be based on the provisions of this Binder. No provision or condition of this Binder can be waived or changed except by a writing endorsed or attached hereto signed by the President, a Vice President, the Secretary, an Assistant Secretary or other validating officer of the Company.

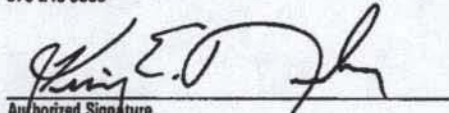
## 9. Notices. Where Sent

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at 400 Second Avenue South, Minneapolis, Minnesota 55401, (612) 371-1111.

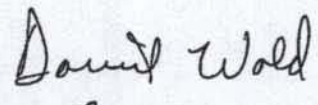
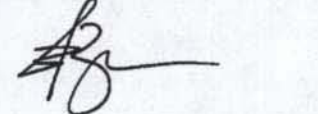
## 10. Arbitration

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association.

Issued through the Office of:  
LAND TITLE GUARANTEE COMPANY  
2454 PATTERSON RD #100  
GRAND JUNCTION, CO 81505  
970-245-0550

  
Authorized Signature









## Shelly Dackonish - Arbors Filing 2A security agreements

---

**From:** Shelly Dackonish  
**To:** kkerk@bluestarindustries; kkerk@bluestarindustries.com  
**Date:** 9/21/2010 3:53 PM  
**Subject:** Arbors Filing 2A security agreements  
**CC:** John Shaver; Lori Bowers; Tim Moore  
**Attachments:** MAINTENANCE Guar Arbors.doc; DEED OF TRUST Arbors.doc; WARRANTY DEED Arbors.docx

---

Kim,

Attached please find the Deed of Trust, Warranty Deed and Maintenance Guarantee for review and signing by the appropriate principals of the LLC. Once these are executed we can coordinate the recording of these documents, the bank's lien release, and the plat for Arbors Filing 2A. There is a specific recording order that will need to be observed.

This email will also serve as confirmation and agreement that the City will deed Lot 5 back to The Arbors at Grand Junction, LLC upon completion and acceptance of the remaining improvements for Arbors Filing 2A. I refer to the DIA and prior correspondences with the City Development Engineer for the exact nature of those remaining improvements.

Please feel free to contact me with any questions or concerns.

Regards,

OFFICE OF THE CITY ATTORNEY  
Shelly S. Dackonish, Staff Attorney


This electronic mail transmission is from Shelly S. Dackonish, Staff Attorney, City Attorney's Office for the City of Grand Junction, Colorado. The information contained in this message may be privileged and/or confidential and/or protected by the attorney-client privilege or the attorney work product doctrine. The privileges are not waived by virtue of this message being sent to you in error. If the person receiving this message or any other reader of the message is not the intended recipient, please note that disclosure, copying, distribution or any other use of this message or the information contained in this message is strictly prohibited. If you have received this message in error, please immediately return it via email and then delete the message immediately.



*Shelly,  
Give me a call  
if you have questions. Thanks, Tim*

**BLUE STAR  
INDUSTRIES, LLC**

*Defining the Way the World Builds*



September 10, 2010

Tim Moore, Public Works and Planning Director  
City of Grand Junction

Dear Tim;

Attached are the documents as per your request regarding the recording of the plat for filing 2A of The Arbors at Grand Junction subdivision and the release of lots from the sole lien hold Bank of Oklahoma.

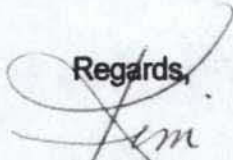
Attached is a copy of the release that has been signed by the bank, a CMA market evaluation showing the value of the lots of \$25,000 and a title policy showing that Bank of Oklahoma is the only lien holder on the property.

Our plan is to provide the City with a total of 3 lots with 2 lots being designated to provide security for the warranty period of one year that the City requires on the infrastructure improvements which amount is \$42,090.16. Additionally we are providing on a temporary basis (30 days approximately), a third lot to cover the cost of the remaining improvements to be completed before Final Acceptance by the City. The dollar amount is budgeted to be \$24,175.77, with asphalt being the majority of remaining improvements to complete.

*DO NOT  
TINS TO  
CITY*

We would like to record the final plat for Filing 2A on Tuesday September 14, so we can proceed to begin construction and sale of the homes. We very much appreciate your working with us on this valuable project particularly in this difficult time for our community and the City in general.

Regards,



Kim Kerk  
[kkerk@bluestarindustries.com](mailto:kkerk@bluestarindustries.com)  
970-640-6913



Original Note and Deed of Trust Returned to:  
Bank of Oklahoma % Colorado State Bank and  
Trust, 1600 Broadway, Denver CO 80202  
WHEN RECORDED RETURN TO: Same  
Prepared/Received by: Commercial RE Depart

REQUEST FOR FULL  / PARTIAL

**RELEASE OF DEED OF TRUST AND RELEASE BY OWNER OF INDEBTEDNESS WITHOUT PRODUCTION OF EVIDENCE OF DEBT PURSUANT TO §38-39-102 (1) (a) AND (3), COLORADO REVISED STATUTES)**

September 7, 2010  
The Arbors at Grand Junction LLC  
2350 G Road  
Grand Junction, CO 81505  
 Check here if current address is unknown

Date  
Original Grantor (Borrower)  
Current Address of Original Grantor,  
Assuming Party, or Current Owner

Bank of Oklahoma, N.A.  
July 26, 2007  
7/26/07 2393179 Bk 4479/606 and re-recorded 8/1/07  
Re-recorded 8/1/07 2394124 Bk 4484/Pg 1  
County Rpt. No. and/or Film No. and/or Book/Page No. and/or Torrens Reg. No.

Original Beneficiary (Lender)  
Date of Deed of Trust  
Date of Recording and/or Re-Recording of Deed of Trust  
Recording Information

TO THE PUBLIC TRUSTEE OF MESA COUNTY (The County of the Public Trustee who is the appropriate grantee to whom the above Deed of Trust should grant an interest in the property described in the Deed of Trust.)

PLEASE EXECUTE AND RECORD A RELEASE OF THE DEED OF TRUST DESCRIBED ABOVE. The indebtedness secured by the Deed of Trust has been fully or partially paid and/or the purpose of the Deed of Trust has been fully or partially satisfied in regard to the property encumbered by the Deed of Trust as described therein as to a full release or, in the event of a partial release, only that portion of the real property described as:

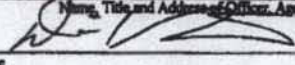
A portion of Tract 1-A, The Arbors Subdivision now known as,  
Lots 1, 2, 3, 4 and S, Block 6, The Arbors at Grand Junction Filing 2A,  
County of Mesa, State of Colorado


Pursuant to § 38-39-102 (3), Colorado Revised Statutes, in support of this Request for Release of Deed of Trust, the undersigned, as the owner of the evidence of debt secured by the Deed of Trust described above, or a Title Insurance Company authorized to request the release of a Deed of Trust pursuant to § 38-39-102 (3) (c), Colorado Revised Statutes, in lieu of the production or exhibition of the original evidence of debt with this Request for Release, certifies as follows:

- The purpose of the Deed of Trust has been fully or partially satisfied.
- The original evidence of debt is not being exhibited or produced herewith.
- It is one of the following entities (check applicable box):
  - a.  The holder of the original evidence of debt that is a qualified holder, as specified in § 38-39-102 (3) (a), Colorado Revised Statutes, that agrees that it is obligated to indemnify the Public Trustee for any and all damages, costs, liabilities, and reasonable attorney fees incurred as a result of the action of the Public Trustee taken in accordance with this Request for Release;
  - b.  The holder of the evidence of debt requesting the release of a Deed of Trust without producing or exhibiting the original evidence of debt that delivers to the Public Trustee a Corporate Surety Bond as specified in § 38-39-102 (3) (b), Colorado Revised Statutes; or
  - c.  A Title Insurance Company licensed and qualified in Colorado, as specified in § 38-39-102 (3) (c), Colorado Revised Statutes, that agrees that it is obligated to indemnify the Public Trustee for any and all damages, costs, liabilities, and reasonable attorney fees incurred as a result of the action of the Public Trustee taken in accordance with this Request for Release;

BANK OF OKLAHOMA, N.A.  
Name and Address of the Holder of the Evidence of Debt Secured by Deed of Trust (Lender)  
or name and address of the Title Insurance Company Authorized to Request the Release of a Deed of Trust

Darin E. Vlascher, Vice President, 1600 Broadway, Denver CO 80202

Signature  


Signature  
  
Notary Public  
Within my hand and official seal



State of Colorado, County of Denver  
The foregoing Request for Release was acknowledged before me on 9-7-10 (date) by\*  
Darin E. Vlascher, Vice President of Bank of Oklahoma, N.A.  
09-29-2013 Date Commission Expires  
\*If applicable, insert title of officer and name of correct owner and holder

**RELEASE OF DEED OF TRUST**

WHEREAS, the Grantor(s) named above, by Deed of Trust, granted certain real property described in the Deed of Trust to the Public Trustee of the County referenced above, in the State of Colorado, to be held in trust to secure the payment of the indebtedness referred to therein; and  
WHEREAS, the indebtedness secured by the Deed of Trust has been fully or partially paid and/or the purpose of the Deed of Trust has been fully or partially satisfied according to the written request of the holder of the evidence of debt or Title Insurance Company authorized to request the release of the Deed of Trust;  
NOW THEREFORE, in consideration of the premises and the payment of the statutory sum, receipt of which is hereby acknowledged, I, as the Public Trustee in the County named above, do hereby fully and absolutely release, cancel and forever discharge the Deed of Trust or that portion of the real property described above in the Deed of Trust, together with all privileges and appurtenances thereto belonging.

Public Trustee  
Deputy Public Trustee



## Cover Letter for Arbors

---

Friday, September 10, 2010

2350 G Road  
Grand Junction, CO 81505

To whom it may concern

Gentlemen and/or Ladies:

Enclosed is a market analysis for Land off 29 Road in the Arbor's Subdivision. The area of the Arbor's in our Multiple Listing System where these statistics were found is GJ3 or Northeast.

I input 0.11 to 0.25 acre for land only and came up with 68 Active listings in GJ1, GJ2, GJ3, and GJ4 which is City, North, Northeast, and Southeast. This is the Competition. There were 22 listings in GJ1 (City); 24 listings in GJ2 (North area); 7 listings in GJ13 (Northeast area); 15 listings in GJ4 (Southeast.)

Solds in all these areas show none have sold in the City in 2010. Actually, it is recommended that we only go back three months in this economy which would result in only one sale for \$69,900 for a property on "I Road" on 0.18 of an acre which is a much higher priced area and has RV parking.

Since the lots you plan on comparing are closer in size to Pear Lane where the lots are listed for \$20,000 that would bring the price down. The Arbors is located more centrally as far as access to shopping, schools, etc. However, being surrounded by Apartments on three sides does affect the price on these lots.

The small size of lots does not allow RV parking and that is what some of the larger lots give. Therefore, it seems that \$25,000 would be best listing price for these lots. As you well know, this market is not good for Selling lots, only selling houses on those lots. Therefore, your gain would apply to the house being built on the lot currently.

As you know, the City probably assessed the land with houses on them in the Arbors at \$70,000. (At least that was the case of the ones at which I looked.

In Fruita, where the houses can sell with RD loans, the prices on the larger lots 0.18 acre 18 lots sold this year in the \$45,000 to \$50,000 range. The product of houses may vary and that makes a difference in the value paid for the lot.

Sincerely,

Judy Duncan, Panorama Real Estate, 970-640-9934



## MAINTENANCE GUARANTEE

1. **Parties:** The parties to this Maintenance Guarantee ("the Guarantee" or "Guarantee") are The Arbors at Grand Junction, LLC ("the Developer") and the City of Grand Junction, Colorado ("the City" or "City"). Collectively the Developer and the City may be referred to as the Parties.

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

2. **Effective Date:** The Effective Date of the Guarantee will be the date that it is signed and accepted by the City.

### RECITALS

The Developer has constructed, installed and is required to warrant and maintain certain improvements ("Improvements" or "the Improvements") which were made necessary by virtue of development on property within the City. The Property, known as The Arbors at Grand Junction Filing 2A has been reviewed and approved under Planning file #FP 2008-038 and as necessary or required to construe this guarantee, that file(s) is incorporated by this reference.

The City seeks to protect the health, safety and general welfare of the community by requiring that the Improvements, once constructed, be maintained. The purpose of this guarantee is to protect the City from having to repair the Improvements at its cost. The Agreement is not executed for the benefit of materialmen, laborers or others providing work, services or material to the Developer and/or the Property or for the benefit of the owners, purchasers or users of the Property. The mutual promises, covenants and obligations contained in this guarantee are authorized by law, the Colorado Constitution, the Charter and the City's ordinances.

### DEVELOPER'S OBLIGATION

3. **Improvements:** The Developer or its successor(s) or assign(s) shall maintain and guarantee the Improvements, at his/her/its own expense, against defects in workmanship and materials for a period of one year from the date of City acceptance of the Improvements. The Developer's obligation is and will be independent of any obligations of the City.

4. **Security:** To secure the performance of its obligations the Developer is required to post security in an amount of \$42,090.16 (Line G2, Exhibit B, City Security).



4a. The Developer has posted security to guarantee the Improvements in an amount, form and with terms acceptable to the City.

4b. In addition to that security all warranties and/or guarantees (those incident to construction or as provided by the contractor and/or manufacturer of installed equipment) are hereby assigned to the City.

4c. The Developer shall to the extent necessary or required by the City take whatever action is necessary or required to assign all warranties and/or guarantees (those incident to construction or as provided by the contractor and/or manufacturer of installed equipment) to the City. A copy of those warranties or a memorandum of the same is attached as Exhibit A.

4d. The Developer for itself, its successors and assigns agrees that if the Improvements are not maintained to City standards that the City shall notify the Developer in writing of the defect(s) in accordance with paragraph 8 hereof.

5. **Standards:** The Developer shall maintain the Improvements according to the standards and specifications required by the City or as otherwise established by the City Engineer.

6. **Warranty:** The Developer hereby warrants that the Improvements, each and every one of them, will be maintained in accordance with the Standards in paragraph 5 for the period of this guarantee.

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

8. **Notice of Defect/Default:** The City shall provide timely notice to the Developer whenever routine inspection reveals that an Improvement and/or maintenance of the same does not conform to City standards and any specifications approved or required in or by the development or that an Improvement(s) is otherwise defective.

8a. As provided herein the City shall provide written notice to the Developer at the address stated in paragraph 22. Notice is and shall be deemed effective two calendar days after mailing thereof by first class United States mail, postage prepaid.



8b. The Developer will have twelve (12) calendar days from the date of the notice to correct the defect.

8c. The City may grant reasonable extensions in writing to the time for correction of defect(s), however, it is not obligated to do so nor is it obligated to provide any notice of a defect(s) if it becomes aware of the defect(s) in or during an emergency. Furthermore, the City is not obligated to inspect the Improvements but may do so as it would any other improvement.

9. **Acceptance:** Prior to acceptance of any Improvement(s), the Developer shall demonstrate in writing to the satisfaction of the City Attorney that it owns the Improvements in fee simple or that there are no liens, encumbrances or other restrictions other than those that have been accepted by the City Attorney on the Improvements. Approval and/or acceptance of any Improvements does not constitute a waiver by the City of any rights it may have on account of any defect in or failure of the Improvement or maintenance of the same that is detected or which occurs after approval and/or acceptance. All warranties and/or guarantees shall be for a period of no less than 12 months from the date of acceptance of the Improvements.

10. **Funds:** Funds drawn, guaranteed or collected by the City under this agreement shall be used for the purpose of correcting defects in and/or repairing or replacing failure(s) of the Improvement(s).

11. **Defect/Default Events:** The following conditions, occurrences or actions will constitute a defect and/or default:

11a. Developer's failure to maintain each and every one of the Improvements in conformance with this guarantee and/or as required by code, law, rule, ordinance or regulation;

11b. Developer's failure to correct defective construction of any Improvement within the applicable guarantee period;

11c. Developer's failure to maintain security in a form and amount required/provided by this guarantee.

11d. As provided herein the City shall provide written notice to the Developer at the address on file with the development application. Notice is and shall be deemed effective two calendar days after mailing thereof by first class United States mail, postage prepaid.



**12. Measure of Cost/Expenses:** The measure of costs and or expenses chargeable by the City under this guarantee will be the reasonable cost of satisfactorily repairing and/or replacing the Improvements plus reasonable City administrative expenses (in the amount of 20% of the repair, replacement and/or warranty work) all of which may exceed the amount of the security provided for in paragraph 4. The amount of the security provided for in paragraph 4 does not set, limit, establish or provide the Developer's maximum financial obligation.

12a. City administrative expenses for which the Developer is obligated to pay include but are not limited to personnel costs, including benefits, overtime, callback, standby and other extraordinary compensation, materials, equipment, third-party contracting costs, collection costs and the value of engineering, legal and administrative staff time devoted to the repair and/or replacement of the Improvements and/or enforcement of this guarantee and all initial warranty(ies) or guarantee(s) assigned to the City by the Developer.

**13. City's Rights:** When any defect or default occurs, the City may after notice and the Developer's failure and/or refusal to repair or replace the Improvements, proceed to collect the amount of the cost or expense incidental or necessary to affect the repair or replacement of the Improvements. The City will have the right to reconstruct, rebuild or otherwise maintain Improvements itself or it may contract with a third party for completion and the Developer grants to the City, its successors, assigns, agents, contractors, and employees, a nonexclusive right and easement to enter the Property for the purposes of constructing, reconstructing, maintaining and repairing such Improvements. This remedy is cumulative in nature and is in addition to any other remedy the City has at law or in equity.

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



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

16. **Amendment or Modification:** The Parties may amend or modify the Agreement only by written instrument executed on behalf of the City by the Public Works and Utilities Director or his designee and by the Developer or his authorized officer. Such amendment or modification shall be properly notarized before it may be deemed effective.

17. **Attorney's Fees:** Should either party be required to resort to litigation to enforce the terms of this guarantee, the prevailing party, plaintiff or defendant, will be entitled to costs, including reasonable attorney's fees and expert witness fees, from the opposing party. If relief is awarded to both parties, the attorney's fees may be equitably divided between the parties by the decision-maker. The value of the City's in-house legal counsel is agreed to be \$125.00 per hour.

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

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

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

21. **Benefits:** The benefits of this agreement to the Developer are personal and may not be assigned without the express written approval of the City. Such approval may not be unreasonably withheld, but any unapproved assignment is void. Notwithstanding the foregoing, the burdens of this agreement are personal obligations of the Developer and also will be binding on the heirs, successors and assigns of the Developer and shall be a covenant(s) running with



the Property. There is no prohibition on the City to assign its rights under this agreement. The City will expressly release the original Developer's guarantee or obligations if it accepts new security from any Developer or lender who obtains the Property; however, no other act of the City will constitute a release of the original Developer from his liability under this agreement.

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

If to Developer: John Davis  
The Arbors at Grand Junction, LLC  
2350 G Road  
Grand Junction, Colorado 81505  
(970) 255-8853 phone; (970) 245-1452 fax  
[jdavis@bluestarindustries.com](mailto:jdavis@bluestarindustries.com)

If to City: Office of the City Attorney  
250 North 5<sup>th</sup> Street  
Grand Junction, CO 81501


Cc: Public Works and Planning Department  
250 North 5<sup>th</sup> Street  
Grand Junction, CO 81501

**23. Recordation:** Developer will pay for all costs to record a memorandum of this guarantee in the Clerk and Recorder's Office of Mesa County, Colorado.

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

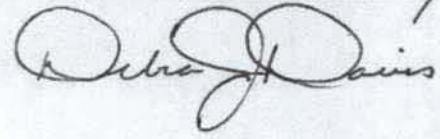
**25. Personal Jurisdiction and Venue:** Personal jurisdiction and venue for any action commenced by either party to this agreement whether arising out of or relating to the agreement, will be deemed to be proper only if such action is commenced in Mesa County, Colorado. The Developer expressly waives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

By:

 09-22-10  
Developer Date

Name (printed): L. John Davis

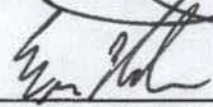
Title (position): President / Manager

Attest: 

\_\_\_\_\_  
Secretary Date

City of Grand Junction

 3.30.11  
Project Planner Date

 3/30/11  
Dept. of Public Works and Utilities Date

GUARANTEE2003

6/13/2003



**DEED OF TRUST**

THIS DEED OF TRUST is entered into this 22<sup>ND</sup> day of September, 2010 between The Arbors at Grand Junction LLC, hereinafter referred to as the Grantor, a corporation duly organized and existing under and by virtue of the laws of the State of Colorado, whose address is 2350 G Road, Grand Junction, County of Mesa, State of Colorado and the Public Trustee of the County of Mesa, State of Colorado, <sup>81505</sup>

**Witness that** the Grantor, to secure its obligations under that certain Development Improvements Agreement dated 5/20/10 and Maintenance Guarantee, Grand Junction Public Works and Planning File # FP-2008-038 hereinafter referred to as Agreements, in the principle sum of Forty-Two Thousand Ninety and 16/100 Dollars (\$42,090.16), hereinafter referred to as the Secured Indebtedness, payable to the Beneficiary, the City of Grand Junction, whose address is 250 North 5<sup>th</sup> Street, Grand Junction, <sup>81501</sup> State of Colorado, does hereby grant and convey unto said Public Trustee the following described property situate in the County of Mesa in the State of Colorado, to wit:

Lot 1, Block 6, The Arbors at Grand Junction Filing 2A

and

Lot 2, Block 6, The Arbors at Grand Junction Filing 2A

TO HAVE AND TO HOLD the same, together with all appurtenances, in trust nevertheless, in case of default on the obligations in the Agreements, or any part thereof, or in the performance of any covenants hereinafter set forth, then the Beneficiary may demand the property be sold by filing a notice of election and demand for sale with the Public Trustee. The Public Trustee shall mail and publish a combined notice of sale and grantor's rights in compliance with Colorado law. Such legal notice is to be published as required by law in a newspaper in the county or counties where the property is located. A copy of the combined notice shall be mailed to all persons entitled to receive notice as required by law. It shall then be lawful for the Public Trustee to sell the property at auction for cash, at any proper place designated in the notice of sale. Out of the proceeds of the sale the Trustee shall retain or pay first all fees, charges and costs and all moneys



advanced for taxes, insurance and assessments, or on any prior encumbrance, with interest thereon, and pay the principle sum above referenced to the Beneficiary, rendering the overplus, if any, to the Grantor; and the Trustee shall execute and deliver to the purchaser a confirmation deed to the property no later than nine days after the date of sale, or if later, the expiration of all redemption periods and the receipt by the Trustee of all statutory fees and costs. The Beneficiary may purchase the property or any part thereof at such sale.

The Grantor covenants that at the time of the delivery of these presents, Grantor is seized of the property in fee simple, and that the property is free of encumbrances.

The Grantor also covenants that the Grantor will keep all buildings, whether now existing or hereafter constructed, insured with a company approved by the Beneficiary for fire and extended coverage in an amount equal to the Secured Indebtedness with loss payable to the Beneficiary, will deliver a copy of the policy to the beneficiary and will pay all taxes and assessments against the property and amounts due on prior encumbrances. If Grantor fails to pay insurance premiums, taxes and amounts due on prior encumbrances, the Beneficiary may pay the same and all amounts shall become additional indebtedness due hereunder; and in the case of foreclosure, the Grantor will pay attorney's fees of \$1,500.00 for in-house counsel, or the total reasonable attorney's fees charged to Beneficiary by contracted counsel.

Should the Beneficiary be made a party to any action affecting this deed of trust or the title to the property the Grantor agrees that all court costs and reasonable attorney's fees shall become additional indebtedness due hereunder; and the Grantor does hereby waive and release all claims in the property of a homestead exemption or other exemption now or hereafter provided by law.

If all or any part of the property or an interest therein is sold or transferred by the Grantor without Beneficiary's prior written consent excluding (a) the creation of a lien or encumbrance subordinate to this Deed of Trust, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant, or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Beneficiary may, at Beneficiary's option, declare all the sums secured by this Deed of Trust to be immediately due and payable. Beneficiary shall have waived such option to accelerate if, prior to the sale or transfer, Beneficiary and the person to whom the property is to be sold or transferred reach agreement in writing that such person will assume all obligations contained in the Agreements secured hereby.

It is agreed that in the case of default of the Grantor on any of the obligations under the Agreements or a breach of any of the covenants herein, then the Secured Indebtedness may at the option of the Beneficiary become due and payable at once, anything in the Agreements to the contrary notwithstanding, and possession of the property will thereupon be delivered to the









**PUBLIC WORKS & PLANNING**

March 30, 2011

Sonshine II Construction Development LLC  
Mr. John Davis  
2350 G Rd  
Grand Junction, CO 81505

**RE: Notice of Initial Acceptance -  
Project Name: Arbors Subdivision  
Project Number: PR-2010-64  
Plan Number: FP-2008-038  
DIA Number: DIA-2010-356**

The Developer is hereby notified that all requirements for the Initial Acceptance for the Project have been fulfilled. The Developer is responsible for all materials and workmanship for all of the public infrastructure improvements constructed or installed as part of the Project for one year following the Initial Acceptance date, except that improvements under the jurisdiction of other entities, such as water districts and sewer districts shall be subject to the warranty requirements of those entities.

The City will conduct a warranty inspection of the project prior to the end of the one-year warranty period. The Developer will be required to correct any deficiencies noted during the warranty period. If a deficient item requires replacement or major repairs, the warranty for that item, the Maintenance Agreement and the full financial guarantee shall be extended by one year from the date the item is repaired or replaced.

Initial acceptance date / begin warranty period:	November 1, 2010
Form of financial guarantee:	Deed of Trust
Amount of financial guarantee:	\$42,090.16

Sincerely,

A handwritten signature in black ink, appearing to read "Eric Hahn".

Eric Hahn  
City Development Engineer

EC: Leslie Ankrum, Senior Administrative Assistant  
Lori Bowers, Senior Planner  
Mark Barslund, City Development Inspector

**QUIT CLAIM DEED**

THIS DEED is dated April 13, 2011 and is made between the City of Grand Junction, the "Grantor," a Colorado Municipal Corporation, whose address is 250 North 5<sup>th</sup> Street, Grand Junction, Colorado, and The Arbors at Grand Junction LLC, the "Grantee," a corporation duly organized and existing under and by virtue of the laws of the State of Colorado;

**WITNESS**, that the Grantor, for and in consideration of the sum of ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, have remised, released, conveyed and QUIT CLAIMED, and by these presents do hereby remise, release, convey and QUIT CLAIM unto the Grantee and its successors and assigns forever, all the right, title and interest of Grantor in and to the following described tract or parcel of land in the County of Mesa, State of Colorado, to wit:

Lot 5, block 6, The Arbors at Grand Junction Filing 2A

**TO HAVE AND TO HOLD** the said premises 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 Grantors, either in law or equity, to the only proper use, benefit and behoof of Grantee and its successors and assigns forever.

Executed and delivered this 13 day of April, 2011.

GRANTOR:

By: Teresa A. Coons  
Mayor  
City of Grand Junction

COUNTY OF MESA            )  
  ) ss  
STATE OF COLORADO    )

The foregoing instrument was subscribed and sworn to before me this 13<sup>th</sup> day of April, 2011 by Teresa A. Coons, Mayor, City of Grand Junction.

My commission expires: 7/7/2012



Deana Pietro  
Notary Public

My Commission Expires 07/07/2012





April 26, 2011

Sonshine II Construction Development, LLC  
Mr. John Davis  
2350 G Road  
Grand Junction, CO 81505

RE: Release of DIA Security/Arbors Subdivision Filing 2A  
Plan Number: FP-2008-038; DIA Number: DIA-2010-356

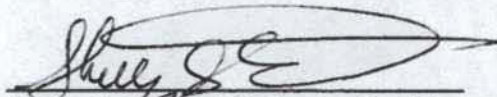
Dear Mr. Davis:

The City of Grand Junction accepted a Warranty Deed to Lot 5, block 6, The Arbors at Grand Junction Filing 2A as security for improvements to be constructed in that subdivision. The City of Grand Junction has determined that the improvements secured by said deed have been completed and initial acceptance has been taken by the City. Therefore the City releases its interest in and claim to Lot 5, block 6, The Arbors at Grand Junction Filing 2A. The City has executed a Quit Claim Deed to said real property and encloses it herewith for acceptance by you.

Should you have any further questions in regard to this matter, please feel free to contact the undersigned at 256-4042.

Sincerely,

OFFICE OF THE CITY ATTORNEY



Shelly S. Dackonish, Senior Staff Attorney

Encl.

Ec: Leslie Ankrum, Senior Administrative Assistant  
Lori Bowers, Senior Planner  
Eric Hahn, Development Engineer  
Mark Barslund, Development Inspector



## Shelly Dackonish - Arbors, Lot 2 Block 6

---

**From:** Shelly Dackonish  
**To:** btemmer@ltgc.com  
**Date:** 6/15/2011 11:09 AM  
**Subject:** Arbors, Lot 2 Block 6  
**CC:** Jamie Beard; John Shaver; Tim Moore

---

Becky,

This email will confirm that the Department of Public Works and Planning for the City of Grand Junction has determined that it is adequately secured by retaining a security interest in Lot 1, Block 6. Therefore, the City is releasing its interest in Lot 2, Block 6 without requiring any pay-off at closing.

This email is intended to supplant the earlier letter from the City demanding a payoff of approximately \$42,090.16 at closing.

Regards,

OFFICE OF THE CITY ATTORNEY  
Shelly S. Dackonish, Senior Staff Attorney

City of Grand Junction, Colorado  
250 N. 5th St.  
Grand Junction, CO 81501  
(970) 244-1503

This electronic mail transmission is from Shelly S. Dackonish, Senior Staff Attorney, City Attorney's Office for the City of Grand Junction, Colorado. The information contained in this message may be privileged and/or confidential and/or protected by the attorney-client privilege or the attorney work product doctrine. The privileges are not waived by virtue of this message being sent to you in error. If the person receiving this message or any other reader of the message is not the intended recipient, please note that disclosure, copying, distribution or any other use of this message or the information contained in this message is strictly prohibited. If you have received this message in error, please immediately return it via email and then delete the message immediately.

May 20, 2011

Sent by facsimile transfer only to 970-241-1593

Christopher Franek  
Land Title Guarantee Company  
2454 Patterson Rd., Suite 100  
Grand Junction, CO 81505

Re: Deed of Trust for City of Grand Junction for 562 Crestwood

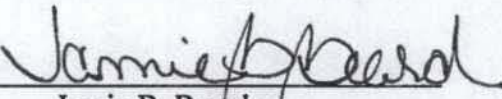
Dear Chris:

Upon the City of Grand Junction ("City") receipt of Forty-Two Thousand Ninety and 16/100 Dollars (\$42,090.16) from Land Title Guarantee on behalf of Sonshine IV Construction & Development, LLC and The Arbors at Grand Junction, LLC, the City will provide the release for the Deed of Trust recorded at Book 5062 Page 934 regarding Lot 1, Block 6, The Arbors at Grand Junction Filing 2A and Lot 2, Block 6 The Arbors at Grand Junction Filing 2A. Any fees for the Public Trustee and/or for recording of the release will be the responsibility of Sonshine IV Construction & Development, LLC and The Arbors at Grand Junction, LLC.

If you need any additional information regarding this matter, please let me know.

Sincerely,

OFFICE OF THE CITY ATTORNEY

By   
Jamie B. Beard  
Assistant City Attorney



3 PAGE DOCUMENT

**DEED OF TRUST**

THIS DEED OF TRUST is entered into this <sup>22<sup>ND</sup></sup> day of September, 2010 between The Arbors at Grand Junction LLC, hereinafter referred to as the Grantor, a corporation duly organized and existing under and by virtue of the laws of the State of Colorado, whose address is 2350 G Road, Grand Junction, County of Mesa, State of Colorado and the Public Trustee of the County of Mesa, State of Colorado, <sup>81505</sup>

**Witness that** the Grantor, to secure its obligations under that certain Development Improvements Agreement dated 5/20/10 and Maintenance Guarantee, Grand Junction Public Works and Planning File # FP-2008-038 hereinafter referred to as Agreements, in the principle sum of Forty-Two Thousand Ninety and 16/100 Dollars (\$42,090.16), hereinafter referred to as the Secured Indebtedness, payable to the Beneficiary, the City of Grand Junction, whose address is 250 North 5<sup>th</sup> Street, Grand Junction, <sup>81501</sup> State of Colorado, does hereby grant and convey unto said Public Trustee the following described property situate in the County of Mesa in the State of Colorado, to wit:

CANCELLED AND RELEASED  
JUN 20 2011  
MESA CO. PUBLIC TRUSTEE

RELEASED PER CRS 38-39-102(3.5)  
PRESENTED IN LIEU OF ORIGINAL NOTE

- Lot 1, Block 6, The Arbors at Grand Junction Filing 2A
- and
- Lot 2, Block 6, The Arbors at Grand Junction Filing 2A

TO HAVE AND TO HOLD the same, together with all appurtenances, in trust nevertheless, in case of default on the obligations in the Agreements, or any part thereof, or in the performance of any covenants hereinafter set forth, then the Beneficiary may demand the property be sold by filing a notice of election and demand for sale with the Public Trustee. The Public Trustee shall mail and publish a combined notice of sale and grantor's rights in compliance with Colorado law. Such legal notice is to be published as required by law in a newspaper in the county or counties where the property is located. A copy of the combined notice shall be mailed to all persons entitled to receive notice as required by law. It shall then be lawful for the Public Trustee to sell the property at auction for cash, at any proper place designated in the notice of sale. Out of the proceeds of the sale the Trustee shall retain or pay first all fees, charges and costs and all moneys



advanced for taxes, insurance and assessments, or on any prior encumbrance, with interest thereon, and pay the principle sum above referenced to the Beneficiary, rendering the overplus, if any, to the Grantor; and the Trustee shall execute and deliver to the purchaser a confirmation deed to the property no later than nine days after the date of sale, or if later, the expiration of all redemption periods and the receipt by the Trustee of all statutory fees and costs. The Beneficiary may purchase the property or any part thereof at such sale.

The Grantor covenants that at the time of the delivery of these presents, Grantor is seized of the property in fee simple, and that the property is free of encumbrances.

The Grantor also covenants that the Grantor will keep all buildings, whether now existing or hereafter constructed, insured with a company approved by the Beneficiary for fire and extended coverage in an amount equal to the Secured Indebtedness with loss payable to the Beneficiary, will deliver a copy of the policy to the beneficiary and will pay all taxes and assessments against the property and amounts due on prior encumbrances. If Grantor fails to pay insurance premiums, taxes and amounts due on prior encumbrances, the Beneficiary may pay the same and all amounts shall become additional indebtedness due hereunder; and in the case of foreclosure, the Grantor will pay attorney's fees of \$1,500.00 for in-house counsel, or the total reasonable attorney's fees charged to Beneficiary by contracted counsel.

Should the Beneficiary be made a party to any action affecting this deed of trust or the title to the property the Grantor agrees that all court costs and reasonable attorney's fees shall become additional indebtedness due hereunder; and the Grantor does hereby waive and release all claims in the property of a homestead exemption or other exemption now or hereafter provided by law.

If all or any part of the property or an interest therein is sold or transferred by the Grantor without Beneficiary's prior written consent excluding (a) the creation of a lien or encumbrance subordinate to this Deed of Trust, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant, or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Beneficiary may, at Beneficiary's option, declare all the sums secured by this Deed of Trust to be immediately due and payable. Beneficiary shall have waived such option to accelerate if, prior to the sale or transfer, Beneficiary and the person to whom the property is to be sold or transferred reach agreement in writing that such person will assume all obligations contained in the Agreements secured hereby.

It is agreed that in the case of default of the Grantor on any of the obligations under the Agreements or a breach of any of the covenants herein, then the Secured Indebtedness may at the option of the Beneficiary become due and payable at once, anything in the Agreements to the contrary notwithstanding, and possession of the property will thereupon be delivered to the



Beneficiary, and on failure to deliver such possession the Beneficiary shall be entitled to a receiver for the property, who may be appointed by any court of competent jurisdiction.

Grantor will continuously maintain its existence as a Colorado limited liability corporation as currently constituted.

Grantor shall furnish to the Beneficiary copies of all lease forms to be used to lease any portion of the Mortgaged Property. No such lease form shall be effective without the prior written consent of Beneficiary. Such approval shall not be unreasonably withheld.

All the covenants herein shall be binding upon the respective heirs, personal representatives, successors and assigns of the parties hereto.

Executed the day and year first above written.

GRANTOR:

The Arbors at Grand Junction LLC, a Colorado limited liability corporation,

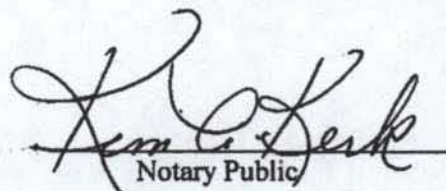
By: 

COUNTY OF MESA        )  
                                  ) ss  
STATE OF COLORADO    )

The foregoing instrument was subscribed and sworn to before me this 22<sup>ND</sup> day of September, 2010 by L. John Davis.

My commission expires



  
Notary Public

My Commission Expires 04/14/2014



3 PAGE DOCUMENT

Prepared by and after Recording Return to: )  
 Name: John P. Shaver, City Attorney )  
 Firm/Company: City of Grand Junction )  
 Address: 250 N. 5<sup>th</sup> Street )  
 City, State, Zip: Grand Junction, CO 81501 )  
 Phone: 970-244-1503 )  
 )  
 )  
 )  
 )

-----Above This Line Reserved For Official Use Only-----

**REQUEST FOR PARTIAL RELEASE OF DEED OF TRUST AND RELEASE  
(WITHOUT PRODUCTION OF EVIDENCE OF DEBT  
PURSUANT TO 38-39-102 (3.5) C.R.S.)**

<u>June 10, 2011</u>	Date
<u>The Arbors at Grand Junction, LLC</u>	Original Grantor (Borrower)
<u>City of Grand Junction</u>	Original Beneficiary (Lender)
<u>September 22, 2010</u>	Date of Deed of Trust
<u>September 29, 2010</u>	Recording Date of Deed of Trust
<u>Mesa</u> <u>Rec. # 2547623</u>	County of Recording
<u>Book No. 5062</u> <u>Page No. 934</u>	Recording Numbers

TO THE PUBLIC TRUSTEE OF Mesa County:

PLEASE EXECUTE AND RECORD A PARTIAL RELEASE OF THE DEED OF TRUST DESCRIBED ABOVE pursuant to 38-39-102 (3.5) C.R.S.. The indebtedness secured by the Deed of Trust has been partially paid and/or the purpose of the Deed of Trust has been partially satisfied in regard to that portion of the real property encumbered by the Deed of Trust described as:

Lot 2, Block 6, The Arbors at Grand Junction Filing 2A

In support of this Request for Partial Release of Deed of Trust, the undersigned, as the owner of the evidence of debt secured by the Deed of Trust described above or the agent or attorney thereof, in lieu of the production or exhibition of the original evidence of debt with this Request for Partial Release, certifies as follows:

1. The purpose of the Deed of Trust on Lot 2, Block 6, The Arbors at Grand Junction Filing 2A has been fully satisfied.
2. The original evidence of debt is not being exhibited or produced herewith.
3. The owner of the evidence of debt agrees that it is obligated to indemnify the Public Trustee pursuant to 38-39-102 (3.5)(a) C.R.S. for any and all damages, costs, liabilities, and reasonable attorney fees incurred as a result of the action of the Public Trustee taken in accordance with this Request for Release.

City of Grand Junction

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



Laurie Kadrach, City Manager

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

City of Grand Junction, 250 North 5<sup>th</sup> Street, Grand Junction, Colorado 81501

Address of Current Owner and Holder

*[Handwritten Signature]*

Signature

Signature

State of Colorado

County of Mesa

The foregoing instrument was acknowledged before me this 9<sup>th</sup> of June, 2011 by Laurie Kadrach, City Manager of City of Grand Junction, a Colorado municipal corporation, on behalf of the City of Grand Junction, a Colorado municipal corporation.



*[Handwritten Signature]*  
Notary Public

Commission expires: 12/29/13

*[Handwritten Name]*  
Type or Print Name

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

WHEREAS, the purpose of the Deed of Trust has been partially satisfied according to the written request of the current owner and holder of the said indebtedness.

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

Paul N. Brown, Public Trustee



BY: *[Handwritten Signature]*  
Deputy Public Trustee



STATE OF COLORADO     )  
                                  )  
COUNTY OF MESA         )

The foregoing Release of Deed of Trust was acknowledged before me on \_\_\_\_\_,  
by \_\_\_\_\_ as the Deputy Public Trustee of the County of Mesa, Colorado.

Witness my hand and official seal.

Seal

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Type or Print Name

**Mortgagee Name, Address, phone:**

**Current property Owner(s) Name, Address,  
phone:**



RECEPTION #: 2599928, BK 6257  
PG 848 02:07/2012 at 02:00:07 PM,  
1 OF 1, R \$10.00 S \$1.00  
Sheila Reiner, Mesa County, CO  
CLERK AND RECORDER

Original Note and Deed of Trust Returned to: Shelly S. Dackonish, Sr. Staff Attorney, City of Grand Junction  
250 N. 5<sup>th</sup> St., Grand Junction, CO 81501 (970) 256-4042  
WHEN RECORDED RETURN TO: Shelly S. Dackonish, Sr. Staff Attorney, City of Grand Junction  
250 N. 5<sup>th</sup> St., Grand Junction, CO 81501 (970) 256-4042  
Prepared by: Shelly S. Dackonish, Sr. Staff Attorney, City of Grand Junction  
250 N. 5<sup>th</sup> St., Grand Junction, CO 81501 (970) 256-4042

REQUEST FOR FULL  PARTIAL

**RELEASE OF DEED OF TRUST AND RELEASE BY HOLDER OF EVIDENCE OF PERFORMANCE OBLIGATION WITHOUT EVIDENCE OF PERFORMANCE OBLIGATION PURSUANT TO §38-39-102(5), COLORADO REVISED STATUTES**

February 1, 2012 Date  
The Arbors at Grand Junction, LLC Original Grantor  
Current Address of Original Grantor,  
Party or Current Owner  
Assuming  Check here if current address is unknown  
Original Beneficiary  
City of Grand Junction Date of Deed of Trust  
September 22, 2010 Date of Recording of Deed of Trust  
September 29, 2010 Recording Information  
Mesa County Book 5062 Page 934 #2547623

TO THE PUBLIC TRUSTEE OF MESA COUNTY

PLEASE EXECUTE AND RECORD A RELEASE OF THE DEED OF TRUST DESCRIBED ABOVE. The performance obligation secured by the deed of trust has been fully or partially performed and the purpose of the Deed of Trust has been fully or partially satisfied in regard to the property encumbered by the Deed of Trust as described therein as to a full release or, in the event of a partial release, only that portion of the real property described as:  
**(IF NO LEGAL DESCRIPTION IS LISTED THIS WILL BE DEEMED A FULL RELEASE)**

Pursuant to §38-39-102(5), Colorado Revised Statutes, in support of this Request for Release of Deed of Trust, the undersigned, as the holder of a lien that secures a performance obligation, in lieu of the production or exhibition of the original evidence of the performance obligation, does hereby affirm and swear under penalty of perjury as follows:

1. The purpose of the Deed of Trust has been fully or partially satisfied.
2. The original evidence of the performance obligation is not being exhibited or produced herewith.
3. It is the holder of the original evidence of the performance obligation and agrees that it is obligated to indemnify the Public Trustee for any and all damages, costs, liabilities, and reasonable attorney fees incurred as a result of the action of the Public Trustee taken in accordance with the Request for Release.

City of Grand Junction, 250 N. 5<sup>th</sup> St., Grand Junction, Colorado 81501  
(Name and Address of the Current Holder of the evidence of the performance obligation secured by the Deed of Trust)

Rich Englehart, City Manager, City of Grand Junction, 250 N. 5<sup>th</sup> St., Grand Junction, Colorado 81501  
(Name, Title and Address of the Officer, Agent, or Attorney of the Holder of the evidence of the obligation secured by the Deed of Trust)

Signature [Signature]  
State of Colorado, County of Mesa



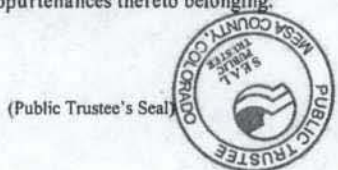
The foregoing Request for Release was subscribed and sworn to before me this 1<sup>st</sup> day of February, 2012, by Rich Englehart.  
My Commission expires: 04/07/2014 (Date) Mary E. Sparks Notary Public Witness my hand and official seal

**RELEASE OF DEED OF TRUST**

WHEREAS, the Grantor(s) named above, by Deed of Trust, granted certain real property described in the Deed of Trust to the Public Trustee of the County referenced above, in the State of Colorado, to be held in trust to secure the performance of an obligation referred to therein; and

WHEREAS, the performance obligation secured by the Deed of Trust has been fully or partially performed and/or the purpose of the Deed of Trust has been fully or partially satisfied according to the written request of the holder of the evidence of the performance obligation or Title Insurance Company authorized to request the release of the Deed of Trust;

NOW THEREFORE, in consideration of the premises and the payment of the statutory sum, receipt of which is hereby acknowledged, I, as the Public Trustee in the County named above, do hereby fully and absolutely release, cancel and forever discharge the Deed of Trust or that portion of the real property described above in the Deed of Trust, together with all privileges and appurtenances thereto belonging.



[Signature]  
Public Trustee Date

Deputy Public Trustee Date



**PUBLIC WORKS & PLANNING**

December 07, 2011

Sonshine II Construction & Development LLC  
Attn: Mr. John Davis  
2350 G Rd  
Grand Junction, CO 81505

**RE: Notice of Final Acceptance**  
**Project Name: Arbors Subdivision Filing 2A**  
**Plan Number: FP-2008-038**  
**DIA Number: DIA-2010-356**

The City has conducted a warranty inspection of the Project and any needed follow-up inspections. The public infrastructure improvements have been found to be in satisfactory condition. All requirements for Final Acceptance of the Project have been fulfilled. The Developer's warranty obligations, for all materials and workmanship, have concluded and are hereby released.

The following public improvements are accepted for future maintenance by the City:

**Public streets:**

- All public streets as shown on the project plans.

**Storm drainage system:**

- All storm drain pipes, inlets and manholes within the public right-of-way.

**Water distribution system:**

- N/A. All water mains are within Ute Water jurisdiction.

**Sanitary sewer:**

- N/A. All sewer mains are within Central Grand Valley Sanitation District jurisdiction.

The City Planner will release the Development Improvements Agreement, the Maintenance Agreement and any financial security attached to the project.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric Hahn".

Eric Hahn, PE  
Development Engineer

EC: Leslie Ankrum, Senior Administrative Assistant  
Lori Bowers, Senior Planner  
Chris Spears, Streets Supervisor  
Steve Labonde, Central Grand Valley Sanitation  
Mark Barslund, Development Inspector  
Jim Daugherty, Ute Water



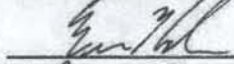
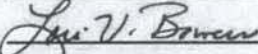
RELEASE OF RECORDING MEMORANDUM  
City of Grand Junction  
Public Works & Planning Department  
Project: PR-2010-64  
Plan: FP-2008-038  
DIA-2010-356

This Release relates to a Recording Memorandum dated May 20, 2010, by and between Sonshine II Construction & Development LLC (Developer) and the City of Grand Junction, pertaining to Arbors Subdivision Filing 2A (Project), located at 29 Road and Orchard Avenue, Grand Junction, CO 81504, recorded at Book 5013, Page 642, Mesa County Clerk and Recorder's Office.


**WHEREAS**, the Developer has installed and constructed certain public and private improvements at and for the Project, which completion was guaranteed by the execution of a Development Improvements Agreement and/or Maintenance Guarantee and provision of a Guarantee, and;

**WHEREAS**, the City of Grand Junction and other agencies possessing authority over the Project, and/or the improvements, have inspected the improvements and have accepted the same.

**NOW THEREFORE**, officials of the City of Grand Junction, duly representing their agencies, possessing and representing by their signatures affixed hereto, that they possess sufficient authority to accept improvements and may release the Development Improvements Agreement and/or Maintenance Guarantee, pertaining to the improvements under their jurisdiction, do accept, sign and release said Development Improvements Agreement and/or Maintenance Guarantee.

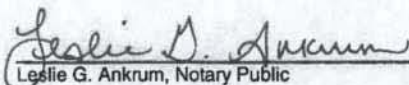
City Engineer:  Date: 12/7/11  
City Planner:  Date: 12/7/11

In acknowledgement with the above signatures, I hereby certify that the improvements as specified in the Development Improvements Agreement and/or Maintenance Guarantee have been completed and accepted in accordance with the provisions of the Grand Junction Zoning and Development Code, and are hereby released, subject to the required warranty period.

 Date: 12.7.11  
Public Works & Planning Department Date

The foregoing instrument was executed before me this 7<sup>th</sup> day of December, 2011, by Greg Moberg, of the Public Works & Planning Department for the City of Grand Junction, Colorado.

Witness my hand and official seal:

  
Leslie G. Ankrum, Notary Public

My commission expires on 8/21/2013



My Commission Expires 08/21/2013



**Sheila Reiner**  
Clerk and Recorder  
544 Rood Ave  
Grand Junction, CO 81501  
(970)-244-1679



**Print Date:**  
12/07/2011 12:34:21 PM

Transaction #: 125886  
Receipt #: 2011020828  
Cashier Date: 12/07/2011 12:34:20 PM

Mailing Address:  
P.O. BOX 20,000-5007  
Grand Junction, CO 81502  
(970)-244-1679

www.mesacounty.us

Customer Information	Transaction Information	Payment Summary
(CITYOFGJ) CITY OF GRAND JCT  COM DEVELOP 250 N 5TH ST GRAND JCT, CO 81501 Escrow Balance: \$71.00	Date Received: 12/07/2011 Source Code: Over The Counter Return Code: Over The Counter Trans Type: Recording	Total Fees \$22.00 Total Payments \$22.00

### 1 Payments

ESCROW	\$22.00
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### 2 Recorded Items

<i>Release of Recording Memorandum</i>		
<i>Brickyard at Wellington FP-2007-268 DA 2010-363</i>		
(REL) REL	BK/PG: 5233/169 Reception Number: 2593614 Date: 12/07/2011 12:34:19 PM From: To:	
Recording @ \$10 per page \$1 Surcharge	1	\$11.00
<i>Release of Recording Memorandum</i>		
<i>Arbors Sub lot 1 FP-2008-038</i>		
(REL) REL	BK/PG: 5233/170 Reception Number: 2593615 Date: 12/07/2011 12:34:19 PM From: To:	
Recording @ \$10 per page \$1 Surcharge	1	\$11.00

### 0 Search Items

### 0 Miscellaneous Items