

FIRST AMENDMENT TO EASEMENT AGREEMENT AND GRANT OF EASEMENT

THIS FIRST AMENDMENT TO EASEMENT AGREEMENT AND GRANT OF EASEMENT (the "**First Amendment**") is made and entered into, effective as of this 31st day of July, 2013 (the "**Effective Date**"), by and among (i) the ELKSTONE OWNERS ASSOCIATION, INC., a Colorado non-profit corporation (the "**Elkstone Association**"); (ii) STERLING CAPITAL LLC, a Georgia limited liability company ("**Sterling**"); and (iii) TRAIL'S EDGE AT DOUBLE CABINS OWNERS ASSOCIATION, INC., a Colorado non-profit corporation (the "**TE Association**"). The Elkstone Association, Sterling, and the TE Association sometimes hereinafter shall be referenced to collectively as the "**Parties**" and individually as a "**Party**".

WHEREAS, the Elkstone Association, Elk Lake Properties LLC, a Colorado limited liability company ("**Elk Lake**"), and The PBC 1996 Trust, a California trust ("**PBC Trust**"), executed and delivered that certain "*Easement Agreement and Grant of Easement*" recorded on November 8, 2004 at Reception No. 370284 and re-recorded on December 13, 2006 at Reception No. 388998 in the Official Records of the San Miguel County Clerk and Recorder (the "**Initial Easement**").

WHEREAS, Sterling is the record owner of the majority of the 22 individual condominium units located within the Elkstone common interest community (the "**Elkstone Community**") known as "*Elkstone 21*" (the "**Elkstone 21 Units**"), for which Sterling is Elk Lake's successor-in-interest as "*Declarant*" for the Elkstone Community.

WHEREAS, in addition to the 22 Elkstone 21 Units, the Elkstone Community also includes an additional seven Elkstone "*Townhome*" units (the "**Elkstone Townhomes**") for a total of 29 "**Elkstone Units**" in the Elkstone Community.

WHEREAS, the TE Association is the successor-in-interest to PBC Trust as the "*Declarant*" for the Trail's Edge community (the "**TE Community**"), consisting of the 12 lots known as "*Lots 600BR-1 through 600BR-12*" (the "**Trail's Edge Lots**"), and the TE Association serves as the "master" homeowners' association for the twelve lots in the TE Community that administers and conducts all activities on the general common elements within the TE Community (the "**TE General Common Elements**"), on behalf of the owners of the Trail's Edge Lots.

WHEREAS, the "*Ski Trail Access Easement*" (as defined below and as set forth in the Initial Easement) is located on, over, through and across a portion of the TE General Common Elements.

WHEREAS, the Trail's Edge Condominiums Owners Association, Inc., a Colorado non-profit corporation (the "**TE Condominiums Association**") serves as the owners' association for the condominium community situated and constructed on the Trail's Edge Lot known as "*Lot 600 BR-12*" (the "**TE Condominiums Community**"); and, in that connection, the TE Condominiums Association administers and conducts all activities on the common elements of the TE Condominiums Community on behalf of the owners of the 10 condominiums within the TE Condominiums Community.

WHEREAS, Elk Lake has retained certain potential development rights in, on, through and over designated portions of the Elkstone Community's general common elements (the "Expansion Area") and, therewith, reserved rights in the future to (i) construct up to four additional condominium units within the Expansion Area in the future (the "Elk Lake Units"); and (ii) add the Elk Lake Units into the Elkstone Community.

WHEREAS, the original ski access easement grant set forth in Paragraph 4 of the above-referenced Initial Easement contains certain limitations and ambiguities that the Parties desire to supplement, supersede, and replace with the Ski Trail Access Easement set forth herein in favor of the (i) Elkstone Association; (ii) Sterling; (iii) Elk Lake; and (iv) all current and future owners of any Elkstone Units and up to four Elk Lake Units as property may be added into the Elkstone Community.

NOW, THEREFORE, in consideration of the covenants and agreements set forth herein, and other good and valuable consideration the receipt and sufficiency of which hereby are acknowledged and accepted, the Parties hereby agree, as follows:

A. **DELETION AND REPLACEMENT OF PARAGRAPH 4 OF THE INITIAL EASEMENT.** Paragraph 4 of the Initial Easement hereby is deleted in its entirety and superseded and replaced with the following:

4. *Grant of Ski Access Easement. The TE Association hereby grants, conveys, transfers, and delivers to (i) the Elkstone Association; (ii) the owners of Elkstone Units 1-29, inclusive; and (iii) such future owners of Elk Lake Units that may be added into the Elkstone Community, if any, as well as all their respective heirs, successors, assigns, tenants, lessees, guests, and/or invitees, a non-exclusive pedestrian (but only in connection with ownership of units in the Elkstone Community) easement for ingress and egress in, on, over, across, and through (a) that portion of Lot 600B and the Trail's Edge Community; and (b) that certain access easement area across Trail's Edge Lots 10 and 11 granted in favor of the Trail's Edge Lots and TE Association, both of which access and connect to the Double Cabins ski trail, all as described and depicted on the attached Exhibit "A", for pedestrian and ski access to and from the Double Cabins ski trail and for no other purpose (the "Ski Trail Access Easement").*

B. **TE CONDOMINIUMS ASSOCIATION PAYMENT.** The TE Condominiums Association hereby agrees to pay the sum of \$10,000.00 (the "TE Condominiums Payment") directly to Sterling, together with execution and delivery of this First Amendment, as reimbursement of Sterling costs associated with this First Amendment and related matters, and as full and final payment by the TE Condominiums Association for access to, usage of, and/or tapping into the Utility Box Easement and the utility services facilities located in, on, over, across and/or through the Utility Box Easement Area (defined below). The Elkstone Association, as owner of the Utility Box Easement Area, hereby consents to and expressly authorizes Sterling to accept and/or retain the TE Condominiums Payment in consideration of the Utility Tie-In Easement (defined below).

C. **GRANT OF UTILITY TIE-IN EASEMENT.** In consideration of the TE Condominiums Payment, the Elkstone Association hereby grants, transfers conveys to the TE Condominiums Association, its successors and assigns, the following Utility Tie-In Easement and on the following terms:

1. A non-exclusive easement upon, over, in and across that portion of Lot 600A described in Exhibit B to the Ski Trail Access Easement (the “**Utility Box Easement Area**”) for the purpose of accessing and tying into the existing facilities for the Elkstone Community and the TE Community (the “**Utility Tie-In Easement**”). It is intended by this grant of the Utility Tie-In Easement that the TE Condominiums Association and its members have an easement for the utilities that currently serve the TE Condominiums Community as of the Effective Date, and that the TE Condominiums Association shall enjoy the same rights of access and use of the existing utility and power facilities in the Utility Box Easement Area as currently are enjoyed by the TE Association.

2. The Utility Tie-In Easement shall include, without limitation, use of the currently-existing electric power, telephone, cable television, sewer and water, and other facilities and connections currently in place. Should technological, cost reduction, or other advances make additional or different future utilities installation in the Utility Box Easement Area necessary or advisable, the TE Condominiums shall have the right to upgrade such utilities, so long as such upgrades do not result in an expansion of the Utility Box Easement Area, and do not result in additional above-ground utility boxes or other structures. Any such expansion, additional boxes or structures shall not be installed without the Elkstone Association’s prior written consent.

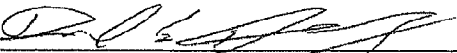
3. The Elkstone Association and Sterling hereby waive and release and hold harmless the TE Condominiums Association and its members from any claims by them for liability, cost or expense (including, without limitation, tap fees, attorney fees and/or legal costs) for any actual or alleged trespass, unauthorized use, tie-in or presence of any utility, electric lines, water or sewer lines or equipment related thereto, belonging to or serving the TE Condominiums Association or its members that may exist or may have been used prior to the Effective Date.

D. **POTENTIAL FUTURE ELK LAKE UNITS SKI TRAIL ACCESS EASEMENT RIGHTS.** In the event that more than four Elk Lake Units ever should be added to the Elkstone Community at any future date, then the Ski Trail Access Easement rights granted for the Elk Lake Units in Paragraph A. above shall not allow use of the Ski Trail Access Easement by more than the owners of four Elk Lake Units (to be designated by recorded notice) and their respective heirs, successors, assigns, tenants, lessees, guests and/or invitees, without the express prior written consent of Sterling to be granted or denied on such terms and conditions as Sterling shall deem appropriate in its sole and absolute discretion; provided, however, that Sterling’s right to grant consent to use of the Ski Trail Access Easement is personal to Sterling only, and such right is not assignable or transferable under any circumstances including, without limitation, by virtue of Sterling’s prior declarant control “turnover” to the Elkstone Association.

E. **OTHER TERMS.** Except as expressly modified in this Agreement, the terms of the Initial Easement shall remain in full force and effect. Capitalized terms used but not otherwise defined in this First Amendment shall have the meanings assigned them in the Initial Easement. This First Amendment shall not be amended without the written consent of all of the Parties.

IN WITNESS WHEREOF, the Parties have executed and delivered this First Amendment, as of the Effective Date.

ELKSTONE OWNERS ASSOCIATION, INC.,
a Colorado non-profit corporation

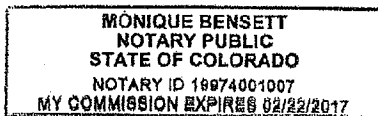
By: 
Daniel E. Dockray, Vice President

STATE OF COLORADO)
) ss.
COUNTY OF SAN MIGUEL)

The foregoing instrument was acknowledged before me on this 31st day of July, 2013, by Daniel E. Dockray, as Vice President of the Elkstone Owners Association, Inc., a Colorado non-profit corporation.

WITNESS my hand and official seal.
My commission expires: 2-22-2017


Notary Public



STERLING CAPITAL LLC,
a Georgia limited liability company

By: Lee A. Hooper, VP
Lee A. Hooper, Vice President

STATE OF GEORGIA)
) ss.
COUNTY OF DEKALB)

The foregoing instrument was acknowledged before me on this 1st day of August, 2013,
by Lee A. Hooper, as Vice President of Sterling Capital LLC, a Georgia limited liability
company.

WITNESS my hand and official seal.
My commission expires:
September 18, 2016

Dana Elizabeth Sorrells
Notary Public



TRAIL'S EDGE AT DOUBLE CABINS
OWNERS ASSOCIATION, INC.,
a Colorado non-profit corporation

By: _____
Bruce MacIntire, President

STATE OF COLORADO)
) ss.
COUNTY OF SAN MIGUEL)

The foregoing instrument was acknowledged before me on this ____ day of _____, 2013,
by Bruce MacIntire, as President of the Trail's Edge at Double Cabins Owners Association, Inc.,
a Colorado non-profit corporation.

WITNESS my hand and official seal.
My commission expires:

Notary Public

STERLING CAPITAL LLC,
a Georgia limited liability company

By: _____
Lee A. Hooper, Vice President

STATE OF GEORGIA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me on this ____ day of _____, 2013,
by Lee A. Hooper, as Vice President of Sterling Capital LLC, a Georgia limited liability
company.

WITNESS my hand and official seal.
My commission expires:

Notary Public

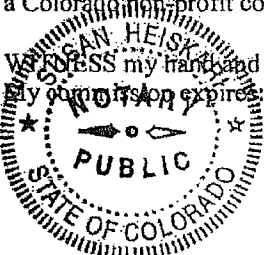
**TRAIL'S EDGE AT DOUBLE CABINS
OWNERS ASSOCIATION, INC.,**
a Colorado non-profit corporation

By: _____
Bruce MacIntire, President

STATE OF COLORADO)
) ss.
COUNTY OF SAN MIGUEL)

The foregoing instrument was acknowledged before me on this 1st day of August, 2013,
by Bruce MacIntire, as President of the Trail's Edge at Double Cabins Owners Association, Inc.,
a Colorado non-profit corporation.

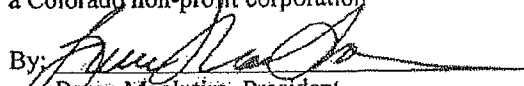
WITNESS my hand and official seal.
My commission expires: 8-8-2015



Susan Heiskari
Notary Public

AGREED TO, ACCEPTED AND APPROVED:


**TRAIL'S EDGE CONDOMINIUMS
OWNERS ASSOCIATION, INC.,**
a Colorado non-profit corporation

By: 
Bruce MacIntire, President

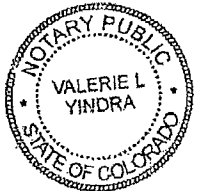
STATE OF COLORADO)
) ss.
COUNTY OF SAN MIGUEL)

The foregoing instrument was acknowledged before me on this 2ND day of August, 2013,
by Bruce MacIntire, as President of the Trail's Edge Condominiums Owners Association, Inc., a
Colorado non-profit corporation.

WITNESS my hand and official seal.
My commission expires: 10/27/2014



Notary Public



MY COMMISSION EXPIRES:
October 27, 2014

Exhibit "A"

Description and Depiction of Ski Trail Access Easement

(see attached)

**FOLEY ASSOCIATES, INC.
CIVIL ENGINEERING AND LAND SURVEYING
P. O. BOX 1385
TELLURIDE, CO 81435
970-728-6153**

EXHIBIT 'A'
LEGAL DESCRIPTION

A strip of land 5 feet wide lying 2.5 feet on each side of the following centerline description located within Trail's Edge Lane, Lot 600BR-10 and Lot 600BR-11, Telluride Mountain Village, according to Trail's Edge At Double Cabins, An Amendment To The Final Plat Of Lot 600B, Town Of Mountain Village recorded in Plat Book 1 at Page 3385 at the office of the Clerk and Recorder, San Miguel County, State of Colorado further described as follows,

Beginning at a point (P.O.B.) on the western boundary of said Lot 600B from which the northwest corner of said Lot 600B bears N 13°13'56" E, 89.76 feet;
THENCE 104.94 feet along a circular curve concave to the north with a Radius of 152.50 feet, an Delta Angle of 39°25'36", a Chord bearing of S 51°18'49" E, and a Chord of 102.88 feet;
THENCE S 71°01'35" E, 221.77 feet;
THENCE S 24°10'04" E, 11.42 feet to the Point of Terminus(P.O.T.);
The sidelines of said 5 foot strip of land to be extended or shortened to form a continuous sideline and meet at the existing boundary of said Trail's Edge Lane, Lot 600BR-10 and Lot 600BR-11,
TOGETHER WITH the Ski Trail and Pedestrian Access Easement as shown on Plat Book 1 at page 3386,

County of San Miguel,
State of Colorado



Jeffrey C. Haskell

P.L.S.37970

