

DEVELOPMENT IMPROVEMENTS AGREEMENT

BK 4224 PG 349

Project File # 2003-194-FP1

1. Parties: The parties to this Development Improvements Agreement ("the Agreement") are Panorama Terrace Developers, LLC ("the Developer") and The County of Mesa, Colorado ("the County").

2. Effective Date: The Effective Date of the Agreement will be the date that this agreement is recorded.

RECITALS

The Developer seeks permission to subdivide property with the County to be known as Panorama Terraces (the Subdivision), or to develop the platted property known as Panorama Terraces (the Subdivision), which property is more particularly described on Exhibit "A" attached and incorporated by this reference (the "Property"); and

The County seeks to protect the health, safety and general welfare of the community by requiring the completion of various improvements in the Subdivision and limiting the harmful effects of substandard subdivisions, including premature subdivision which leaves property undeveloped and unproductive; and

The purpose of this Agreement is to protect the County from the cost of completing subdivision improvements itself and is not executed for the benefit of material men, laborers, or others providing work, services or material to the Subdivision or for the benefit of lot or home buyers in the Subdivision; and

The mutual promises, covenants, and obligations contained in this Agreement are authorized by the State law and the County's land development regulations;

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

DEVELOPER'S OBLIGATION

3. Improvements: The Developer will design, construct and install, at his own expense, those on-site and off-site subdivision improvements listed on Exhibit "B" attached and incorporated by this reference ("the Improvements"). The Developer's obligation to complete the Improvements will be in conformance with the time schedule defined by recording date and will be independent of any obligations of the County contained herein.

4. Security Options: To secure the performance of his obligations under this Agreement (except his obligations for warranty under paragraph 6), the Developer will deposit with the County on or prior to the Effective Date, either:

- A) An irrevocable letter of credit in the amount of \$ _____
- B) A subdivision improvements disbursement agreement,
- C) Cash in the amount of \$ _____, to be escrowed by the County Treasurer, or
- D) A performance bond.

Option A: Irrevocable Letter of Credit - The letter of credit will be issued by a financial institution ("Bank") and approved by the Land Use and Development Division of the County Planning and Development Department, will be payable at sight to the County and will bear an expiration date not earlier than one (1) year after the Effective Date of this Agreement. The letter of credit will be payable to the County at any time upon presentation of (i) a sight draft drawn on the issuing bank to which the County is Entitled to draw pursuant to the terms of this Agreement and the letter of credit; and (ii) a certification executed by an authorized representative of Mesa County or his designee stating that the Developer is in default under this Agreement; and (iii) the original letter of credit. The letter of credit will be the same as Exhibit "C-1" attached and incorporated by this reference.

Option B: Subdivision Improvements Disbursement Agreement - The subdivision improvements disbursement agreement will be executed by a Bank and will provide for segregation of Developer's loan proceeds by the Bank in the amount to which the County is entitled to draw pursuant to the Terms of this Agreement, which funds will be disbursed to the County, in full or in part, upon presentation of a (i) request for disbursement; and (ii) a certification executed by an authorized representative of Mesa County or his designee stating that the Developer is in default under this Agreement; or (iii) as otherwise provided by the subdivision disbursement agreement. The subdivision improvements disbursement agreement will be the same as Exhibit "C-2" attached and incorporated by this reference.

Option C: Cash - Cash in the form of a cashier's check or bank account in the sole ownership of the County will be escrowed with the County Treasurer in the amount to which the County is entitled to draw pursuant to the Terms of this Agreement, which funds will be disbursed to the County in full or in part, upon presentation of a (i) request for disbursement; and (ii) a certification executed by an authorized representative of the County stating that the Developer is in default under this Agreement; or (iii) as otherwise provided by the cash escrow agreement. The cash escrow agreement will be the same as Exhibit "C-3" attached and incorporated by this reference.

Option D: Performance Bond - A performance bond will be extended upon which the County will be entitled to draw pursuant to the Terms of this Agreement, which funds will be disbursed to the County in full or in part, upon presentation of a (i) request for disbursement; and (ii) a certification executed by an authorized representative of Mesa County or designee stating that the Developer is in default under this Agreement; or (iii) as otherwise provided by the bond agreement.

5. Standards: The Developer will construct the Improvements according to the standards and specifications required by the *Mesa County Land Development Code* and the *Mesa County Standard Specifications For Road and Bridge Construction*, or as provided in the final plat approval proceedings.

6. Warranty: The Developer warrants that the Improvements, each and every one of them, will be free from defects for a period of eighteen (18) months from the date of the County resolution accepting the improvements completed by the Developer.

7. Commencement and Completion Periods: The improvements, each and every one of them, will be completed within one (1) year from the Effective Date of this Agreement (the "Completion Period").

8. Compliance with Law: The Developer will comply with all relevant federal, state and local laws, and regulations in effect at the time of final subdivision plat approval when fulfilling his obligations under this Agreement.

COUNTY'S OBLIGATION

9. Plat Approval: The County will grant final subdivision plat approval to the Subdivision under the terms and conditions previously agreed to by the Parties on _____ or provided by the *Mesa County Land Development Code* as it existed on that date of approval

10.a Notice of Defect: The Developer shall instruct his engineer to provide timely notice to the Developer, contractor, issuer of security, the Engineering Division of the County Public Works Department and the Land Use and Development Division of the Planning and Development Department whenever inspection reveals that an improvement does not conform to County Standard and any specifications approved in the development application or is otherwise defective. The County will subsequently issue a Notice of Deficiencies to the Developer and the issuer of security. The Developer will have thirty (30) days from the issuance of such notice to correct the defect. If inclement weather or circumstances beyond the Developer's control prevent correction within that time period, he may apply for an initial thirty (30)-day extension to the correction period to be received by the County Land Use and Development Division not later than ten (10) days after receipt of said Notice. If subsequent extensions are

Adopted 6/4/91 Revised November 12, 2003

requested, the County will not issue further Notices and the Developer must request extensions no later than ten (10) business days before the expiration of the current extension period. The extension will be reviewed by the County Engineering Division of the Public Works Department and the Land Use and Development Division of the Planning and Development Department for compliance with the time schedule and improvements costs as represented on Exhibit B herein and for compliance with County standards and specifications as approved in the development application. If an extension is not approved by the Board of County Commissioners, a condition of default shall be declared and an Affidavit of Lapse of Improvements Agreement shall be recorded stating that building permits will not be issued in the Subdivision and the County may request that the court enjoin the sale, transfer of conveyance of lots within the Subdivision until a new development improvements agreement and guarantee are accepted by the County.

10.b Notice of Non Compliance with Completion Date: The County shall issue the Developer a Notice of Deficiencies not earlier than thirty (30) days before the Completion Date. If inclement weather or circumstances beyond the Developer's control prevent construction within the completion period, he may apply for a six (6)-month extension to the completion period to be received by the County Land Use and Development Division not later than ten (10) business days after receipt of said Notice. The extension will be reviewed by the County Engineering Division of the Public Works Department and the Land Use and Development Division of the Planning and Development Department for compliance with approved development application documents and County standards and specifications and provided the security is also extended in the amount of the current costs for those improvements; the request will be presented to the Board of County Commissioners for approval. If an extension of time is not approved by the Board of County Commissioners, an Affidavit of Lapse Improvements Agreement shall be recorded stating that building permits will not be issued in the Subdivision and the County will request that the court enjoin the sale, transfer or conveyance of lots within the Subdivision until a new development improvements agreement and guarantee are accepted by the County.

11. Acceptance of Improvements: The County's final acceptance of improvements is conditioned on the presentation by Developer of signatures of acceptance by all entities serving the constructed improvements and on the presentation by Developer of a document or documents where appropriate, for the benefit of the County showing that the Developer owns the improvements in fee simple and that there are no liens or encumbrances on the improvements. Acceptance of any improvements does not constitute a waiver by the County of any rights it may have on account of any defect in or failure of the improvement that is detected or which occurs after the acceptance.

12. Reduction of Security: After the acceptance of any improvement and upon application of the Developer, the amount which the County is entitled to draw on under the letter of credit, subdivision improvements disbursement agreement or cash in escrow will be reduced by an amount equal to ninety percent (90%) of the estimated cost of the improvement as shown on Exhibit "B". At the request of the Developer, the County will execute a resolution verifying the acceptance of the improvement and waiving and releasing its right to draw on the letter of credit, the subdivision improvements disbursement agreement or cash escrow to the extent of such amount. A Developer in default under this Agreement will have no right to such a resolution. Upon the acceptance of all of the Improvements, the full balance that may be drawn under the letter of credit, subdivision improvements disbursement agreement, performance bond or cash escrow agreement will be released.

13. Use of Proceeds: The County will use funds drawn under the letter of credit, the subdivision improvements disbursement agreement, performance bond or cash escrow only for the purpose of completing the Improvements or correcting defects in or failure of the Improvements.

OTHER PROVISIONS

14. Events of Default: The following conditions, occurrences or actions will constitute a default by the Developer during the Completion Period:

- a. Developer's failure to complete each portion of the Improvements in conformance with the Completion Period or as extended by County resolution; the County may not declare a default until a thirty (30)-day

Adopted 6/4/91 Revised November 12, 2003

notice (Notice of Deficiencies) has been given to the Developer or any requested extensions of time have been denied by the Board of County Commissioners in a public hearing;

b. Developer's failure to demonstrate reasonable intent to correct defective construction of any improvement within the applicable correction period; the County may not declare a default until Notice of Deficiencies has been given to the Developer and thirty (30)-day correction period has elapsed; the County may declare a default after subsequent approved correction periods have lapsed without such Notice unless Developer applies for another extension no later than ten (10) business days before the expiration of the current extension period and that request is approved by the Board of County Commissioners in a public hearing;

c. Notification of 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 or foreclosure of any lien against the Property or a portion of the Property; the County will immediately declare a default without prior notification to the Developer;

d. Notification to County by lender with a lien on the property of a default on this obligation; the County will have the option to immediately declare a default without prior notification to the Developer;

15. Measure of Damages: The measure of damages for breach of this Agreement by Developer will be the reasonable cost of satisfactorily completing the improvements. For improvements upon which construction has not begun, the estimated costs of the improvements as shown on Exhibit "B" will be prima facie evidence of the minimum cost of completion; however, neither that amount or the amount of the letter of credit, the subdivision improvements disbursement agreement, performance bond or cash escrow establish the maximum amount of the Developer's liability.

16. County's Rights Upon Default: When any event of default occurs, the County may draw on the letter of credit, performance bond or escrowed collateral to the extent of the face amount of the credit or full amount of escrowed collateral less ninety percent (90%) of the estimated cost (as shown on Exhibit "B") of all improvements previously accepted by the County, or may exercise its rights to disbursement of loan proceeds under the subdivision improvements disbursement agreement. The County will have the right to complete improvements itself or contract with a third party for completion, and the Developer grants to the County, its successors, assigns, agents, contractors, and employee, a nonexclusive right and easement to enter the Property for the purposes of constructing, maintaining, and repairing such improvements. Alternatively, the County may assign the proceeds of the letter of credit, the subdivision improvements disbursement agreement, performance bond or of the escrowed collateral to a subsequent party who has acquired the Subdivision by purchase, foreclosure or otherwise who will then have the same rights of completion as the County if and only if the subsequent party agrees in writing to complete the unfinished improvements and provides reasonable security for the obligation. In addition, the County may also enjoin the sale, transfer, or conveyance of lots within the subdivision, until the improvements are completed and accepted. These remedies are cumulative in nature and are in addition to any other remedies the County has at law or in equity.

17. Indemnification: The Developer expressly agrees to indemnify and hold the County, its employees and assigns harmless from and against all claims, costs and liability of every kind and nature except those arising out of negligence on the part of the County employees and assigns, for injury or damage received or sustained by any person or entity in connection with, or on account of the performance of work at the Subdivision pursuant to this Agreement. The Developer further agrees to aid and defend the County in the event that the County is named as a defendant in an action concerning the performance of work pursuant to this Agreement. The Developer further agrees to aid and defend the County in the event that the County is named as a defendant in an action concerning the performance of work pursuant to this Agreement except where such suit is brought by the Developer. The Developer is not an agent or employee of the County.

18. No Waiver: No waiver of any provision of this Agreement will be deemed or constitute a waiver of any provision, nor will it be deemed or constitute a continuing waiver unless expressly provided for a written amendment

Adopted 8/4/91 Revised November 12, 2003

to this Agreement signed by both county and Developer, nor will the waiver of any default under this Agreement be deemed a waiver of any subsequent default or defaults of the same type. The County's failure to exercise any right under this Agreement will not constitute the approval of any wrongful act by the Developer or the acceptance of any improvement.

19. Amendment or Modification: The parties to this Agreement may amend or modify this Agreement only by written instrument executed on behalf of the County by the County Attorney or his designee and by the Developer or his authorized officer. Such amendment or modification will be properly notarized before it may be effective.

20. Attorney's Fees: Should either party be required to resort to litigation to enforce the terms of this Agreement, the prevailing party, plaintiff or defendant, will be entitled to costs, including reasonable attorney's fees and expert witness fees, from the opposing party. If the court awards relief to both parties, the attorney's fees may be equitably divided between the parties by the decision maker.

21. Vested Rights: The County does not warrant by this Agreement that the Developer is entitled to any other approval(s) required by the County, if any, before the Developer is entitled to commence development of the Subdivision or to transfer ownership of property in the Subdivision.

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

23. Scope: This Agreement constitutes the entire agreement between the parties and no statements, promises or inducements that are not contained in this Agreement will be binding on the parties.

24. Time: For the purpose of computing the Completion Period, and time periods for County action, such times in which war, civil disasters, or acts of God occur or exist will not be included if such times prevent the Developer or County from performing its obligation under the Agreement.

25. Severability: If any part, term, or provision of this Agreement is held by the courts to be illegal or otherwise unenforceable, such illegality or unenforceability will not affect the validity of any other part, term, or provision and the rights of the parties will be construed as if the part, term, or provision was never part of the Agreement.

26. Benefits: The benefits of this Agreement to the Developer are personal and may not be assigned without the express written approval of the county. Such approval may not be unreasonably withheld, but any unapproved assignment is void. Notwithstanding the foregoing, the burdens of this Agreement are personal obligation of the Developer and also will be binding on the heirs, successors, and assigns of the Developer, and shall be a covenant running with the Property. There is no prohibition on the right of the County to assign its rights under this Agreement. The County will expressly release the original Developer's guarantee or obligations under the subdivision improvements disbursement agreement if it accepts new security from any developer or lender who obtains the Property. However, no other act of the County will constitute a release of the original Developer from his liability under this Agreement.

27. Notice: Any notice required or permitted by this Agreement will be deemed effective when personally delivered in writing or three (3) days after notice is deposited with the U.S. Postal Service, postage prepaid, certified, and return receipt requested, and addressed as follows:

If to Developer:

Panorama Terrace Developers, LLC

Developer's Name

P.O. Box 55063 Grand Junction, CO 81502

Developer's Mailing Address

If to County: Mesa County Planning & Development Department
P.O. Box 20,000
Grand Junction, CO 81502-5022

28. **Recordation:** County will record a copy of this Agreement in the Clerk and Recorder's Office of Mesa County, Colorado.

29. **Immunity:** Nothing contained in this Agreement constitutes a waiver of the County's sovereign immunity under any applicable state law.

30. **Personal Jurisdiction and Venue:** Personal jurisdiction and venue for any civil action commenced by either party to this Agreement whether arising out of or relating to the Agreement, letter of credit, performance bond, subdivision improvements disbursement agreement, or cash escrow agreement will be deemed to be proper only if action is commenced in District Court for Mesa County. The developer expressly waives his right to bring such action in or to remove such action to any other court whether state or federal.

[Signature] 08/11/06
Signature of County Engineering Supervisor or Representative Date

[Signature] 7/26/06 7/26/06 *[Signature]*
Notarized Signature of Developer & Date

Panorama Terrace Developers, LLC
Developer's Name & Date Glen D. Whaley, Managing Member 7/21/2006
P.O. Box 55063 Grand Junction, CO 81502
Developer's Address

Notarized by: *[Signature]*
My Commission Expires On: 8/25/07



My Commission Expires 08/25/2007

Exhibit A

PROPERTY LEGAL DESCRIPTION

Please Type in Legal Description of Property

Exhibit A

A parcel of land situated in the southwest quarter of the northwest quarter and the north half of the southwest quarter of Section 14, Township 11 South, Range 101 West of the 6th. Principal Meridian, Mesa County, Colorado, the ownership of which is demonstrated in an instrument recorded in Book 3255 at page 206 of the Mesa County records; said property being more particularly described as follows:

Beginning at a point which bears North 86°05'03" East a distance of 1010.46 feet from the west quarter corner of said Section 14, being monumented by a #5 rebar with an aluminum cap bearing the notation "PLS 18480"; thence North 22°53'00" East a distance of 193 feet more or less to the centerline of the Colorado River; thence in a southeasterly direction along the centerline of said Colorado River to the east line of the southwest quarter of the northwest quarter of said Section 14; thence South 00°25'27" East along said line, a distance of 190 feet more or less to the center-west sixteenth corner of said Section 14, a calculated position not monumented due to adverse terrain; thence South 88°55'32" East along the north line of said north half of the southwest quarter, a distance of 1250.69 feet to the east boundary of said north half of the southwest quarter; thence along said east boundary South 01°15'11" West, a distance of 770.58 feet to the north line of Monument Village Subdivision Filing 2;

thence along said boundary the following three (3) courses:

1. North 53°56'48" West a distance of 43.25 feet
2. South 00°04'12" West a distance of 92.45 feet
3. North 55°25'27" West a distance of 410.57 feet to the northeasterly corner of Panorama Subdivision Filing 5;

thence along said boundary the following three (3) courses:

1. North 55°18'48" West a distance of 848.34 feet
2. North 68°35'48" West a distance of 249.10 feet
3. South 01°14'12" West a distance of 744.95 feet to the northerly right-of-way of Sequoia Court;

thence along said right-of-way the following two (2) courses:

1. South 53°13'12" West a distance of 186.57 feet to a point of curve
2. 81.84 feet along the arc of a 360.00 feet radius tangent curve to the right, with a central angle of 13°01'31" and a chord bearing South 59°43'58" West, a distance of 81.66 feet to the boundary of Panorama Subdivision Filing 2;

thence along said boundary the following four (4) courses:

1. North 15°45'48" West a distance of 288.85 feet
2. North 89°24'39" West a distance of 333.96 feet
3. North 05°03'12" East a distance of 251.99 feet
4. North 02°04'12" East a distance of 92.86 feet;

thence North 56°28'41" East a distance of 257.47 feet;

thence North 51°08'11" East a distance of 260.76 feet;

thence North 15°43'03" East a distance of 117.64 feet to the Point of Beginning,

County of Mesa,
State of Colorado.

LIENHOLDERS' RATIFICATION AND APPROVAL

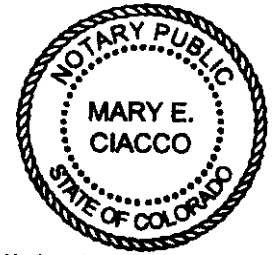
The undersigned will ratify the final plat for Panorama Terraces Subdivision to be recorded
_____, 20____, within the Mesa County Land Records and approves the terms of this Development
Improvements Agreement.

By: Carey B. Horton, VP
Carey B. Horton, Vice President
First National Bank of the Rockies
State of Colorado - County of Mesa

Subscribed and sworn before me this 26th day of July, 192006
By: Mary E. Ciacco

Witness my hand and official seal. Mary E. Ciacco
Notary Public

My commission expires: 8/25/07



My Commission Expires 08/25/2007

LIENHOLDERS' RATIFICATION AND APPROVAL

The undersigned will ratify the final plat for Panorama Terraces Subdivision to be recorded
_____ 20 __, within the Mesa County Land Records and approves the terms of this Development
Improvements Agreement.

By: *M-B. Lally*
Mike Queally

GN, LLC

State of Colorado - County of Mesa

Subscribed and sworn before me this 24th day of July 2009

By: *Mike Queally*

Witness my hand and official seal.

Jennifer M. Pedersen
Notary Public

My commission expires: 10/03/2009

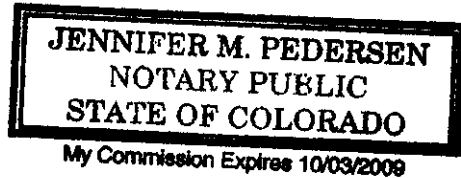


Exhibit B

COSTS OF CONSTRUCTION

Only This Form Will Be Accepted By The County Engineering Division

Street Name: Canyon Wren Court (w/ Private Drive) Length: 492 L.F.

Development: Panorama Terraces Subdivision

This form is for **one street only**. Acquire additional forms for each street in your development, including bordering street. Lump sum amounts will not be accepted unless designated, units must be used as shown. If a building permit hold is being utilized to secure the improvements, the unit cost and total cost columns do not need to be filled out.

Improvement	Qty	Unit	Unit Cost	Total Cost	Completion Date
Mobilization	1	L.S.	\$ 500.00	\$ 500.00	08/01/07 (Typical)
Utility Relocation		L.S.		\$ -	
Unclassified Excavation	2502	C.Y.	\$ 2.00	\$ 5,004.00	
Unclassified Embankment	618	C.Y.	\$ 2.50	\$ 1,545.00	
Street Base-course Class 6	491	C.Y.	\$ 19.00	\$ 9,329.00	
Street Asphalt Paving Grade	375	Ton	\$ 50.00	\$ 18,750.00	
Curbs, Gutters, & 6.5' wide sidewalks	488	L.F.	\$ 13.50	\$ 6,588.00	
Curbs & Gutters <u>2</u> feet wide	543	L.F.	\$ 8.00	\$ 4,344.00	
8" Thick Corner Concrete		SY	\$ 47.50	\$ -	
Storm Water Management Control Structure				\$ -	
Storm Sewer Shallow Manholes		Ea.		\$ -	
18" Flared End Sections	1	Ea.	\$ 250.00	\$ 250.00	
Storm Sewer Pipe _____ diameter		L.F.		\$ -	
Storm Sewer Standard Manholes	0	Ea.	\$ 1,250.00	\$ -	
Storm Sewer Inlets	2	Ea.	\$ 1,800.00	\$ 3,600.00	
Storm Sewer Pipe 18" HDPE diameter	201	L.F.	\$ 25.00	\$ 5,025.00	
Sanitary Sewer Shallow Manholes		Ea.		\$ -	
Sanitary Sewer Mains _____ diameter		L.F.		\$ -	
Sanitary Sewer Trunk Lines _____ diameter		L.F.		\$ -	
Sanitary Sewer Laterals _____ diameter		L.F.		\$ -	
Sanitary Sewer Standard Manholes		Ea.	\$ 3,000.00	\$ -	
Sanitary Sewer Mains <u>8"</u> diameter		L.F.	\$ 25.00	\$ -	
Sanitary Sewer Trunk Lines _____ diameter		L.F.		\$ -	
Sanitary Sewer Laterals <u>4"</u> diameter		L.F.	\$ 12.50	\$ -	
On Site Sewage Facilities				\$ -	
Septic Tanks		Ea.		\$ -	
Package Plant		Ea.		\$ -	
Holding Tanks		Ea.		\$ -	
Other _____				\$ -	
Water Mains <u>8"</u> diameter		L.F.	\$ 16.00	\$ -	
Water Mains <u>4"</u> diameter	522	L.F.	\$ 12.00	\$ 6,264.00	
4" Valves	2	Ea.	\$ 700.00	\$ 1,400.00	
Fixtures: Thrustblocks, Tees, & Bends	7	Ea.	\$ 650.00	\$ 4,550.00	
Other: 3/4" Copper Service lines	360		\$ 9.00	\$ 3,240.00	
Fire Hydrants Including: _____				\$ -	
(T's, gate, valves, laterals)		Ea.	\$ 1,900.00	\$ -	
				\$ 6,339.00	

RECORDER NOTE: POOR QUALITY DOCUMENT
PROVIDED FOR REPRODUCTION

STREET NAME: CANYON WREN COURT (W/ PRIVATE DRIVE)

DEVELOPMENT: PANORAMA TERRACES SUBDIVISION Development Improvements Agreement

Subtotals Fwd.			\$	70,389.00
Irrigation System				
Earthen Ditch		L.F.	\$	-
Concrete Ditch		L.F.	\$	-
Pressurized Pipe _____ diameter		L.F.	\$	-
Gravity Flow Pipe _____ diameter		L.F.	\$	-
Mains _____ diameter		L.F.	\$	-
Risers		Ea.	\$	-
Pumps		Ea.	\$	-
Other		Ea.	\$	-
On Site Water Supply		L.S.	\$	-
Survey Monuments		Ea.	\$	-
Survey Monument Boxes		Ea.	\$	-
Off Street Parking			\$	-
Sub-base Class _____		C.Y.	\$	-
Base-course Class _____		C.Y.	\$	-
Asphalt Paving Grade _____		Ton	\$	-
Street Lights		Ea.	\$	-
Street Name Signs	2	Ea.	\$ 200.00	\$ 400.00
Traffic Control Devices			\$	-
Permanent (Stop Signs, No Parking, etc.)	4	Ea.	\$ 300.00	\$ 1,200.00
Temporary (Barricades, etc.)		Ea.	\$	-
Fencing, Screening, - Type _____		L.F.	\$	-
Landscaping (as per approved final development plan)			\$	-
1) Right-of-way		L.S.	\$	-
2) Open Space Landscaping		L.S.	\$	-
3) Other (as required by Mesa County)		L.S.	\$	-
Other _____			\$	-
Parking		S.F.	\$	-

Engineering Design @ 12% of the subtotal (if design is not completed and accepted by review agency.	\$ 8,638.68
Construction Management @ 3% of the subtotal	\$ 2,159.67
Supervision of all installations @ 4% of the subtotal	\$ 2,879.56
Total Estimated Construction and Supervision	\$ 85,666.91

If Desert Landscaping is proposed, a notarized letter to that effect will be required.

Prepared By: D. Thies 7/27/06.
Doug Thies, PE

Firm: Thompson Langford Corp.

Cost estimates have been reviewed by Mesa County Engineering and are acceptable as shown.

Engineering Supervisor: Walt S. Henny 08/11/06

Note: An Improvements Release Form must be obtained from the County Planning Department as improvements are completed. The appropriate utility and/or County will inspect the improvement and certify that it has been constructed to specifications. Improvements Agreements will then be formally released at a regular meeting of the Board of County Commissioners.

Exhibit B

COSTS OF CONSTRUCTION

Only This Form Will Be Accepted By The County Engineering Division

Street Name: Sanitary Sewer Length: _____

Development: Panorama Terraces Subdivision

This form is for **one street only**. Acquire additional forms for each street in your development, including bordering street. Lump sum amounts will not be accepted unless designated, units must be used as shown. If a building permit hold is being utilized to secure the improvements, the unit cost and total cost columns do not need to be filled out.

Improvements	Qty	Unit	Unit Cost	Total Cost	Completion Date
Mobilization		L.S.	\$ 500.00	\$ -	08/01/07 (Typical)
Utility Relocation		L.S.		\$ -	
Unclassified Excavation		C.Y.	\$ 2.00	\$ -	
Unclassified Embankment		C.Y.	\$ 2.50	\$ -	
Street Base-course Class 6 (removal & replacement)		C.Y.	\$ 6.00	\$ -	
Street Asphalt Paving Grade		Ton	\$ 50.00	\$ -	
Curbs, Gutters, & 6.5' wide sidewalks		L.F.	\$ 13.50	\$ -	
Curbs & Gutters _____ feet wide		L.F.		\$ -	
8" Thick Corner Concrete		SY		\$ -	
Storm Water Management Control Structure				\$ -	
Storm Sewer Shallow Manholes		Ea.		\$ -	
18" Flared End Sections		Ea.		\$ -	
Storm Sewer Pipe _____ diameter		L.F.		\$ -	
Storm Sewer Standard Manholes		Ea.		\$ -	
Storm Sewer Inlets		Ea.		\$ -	
Storm Sewer Pipe _____ diameter		L.F.		\$ -	
Sanitary Sewer Shallow Manholes		Ea.		\$ -	
Sanitary Sewer Mains _____ diameter		L.F.		\$ -	
Sanitary Sewer Trunk Lines _____ diameter		L.F.		\$ -	
Sanitary Sewer Laterals _____ diameter		L.F.		\$ -	
Sanitary Sewer Standard Manholes	10	Ea.	\$ 1,600.00	\$ 16,000.00	
Sanitary Sewer Mains 8" diameter	1448	L.F.	\$ 24.00	\$ 34,752.00	
Sanitary Sewer Trunk Lines _____ diameter		L.F.		\$ -	
Sanitary Sewer Laterals 4" diameter	1137	L.F.	\$ 15.00	\$ 17,055.00	
Sewer services	24	EA	\$ 50.00	\$ 1,200.00	
60" Double Drop Manhole	1	EA	\$ 3,500.00	\$ 3,500.00	
Cast in Place Manhole Over Existing Line	2	EA	\$ 1,600.00	\$ 3,200.00	
Connection to Existing Manhole	2	EA	\$ 1,500.00	\$ 3,000.00	
Concrete Encasement	0	LF			
Remove Existing Manholes	3	EA	\$ 1,000.00	\$ 3,000.00	
Set Manholes to Finished Grade	10	EA	\$ 400.00	\$ 4,000.00	
On Site Sewage Facilities				\$ -	
Septic Tanks		Ea.		\$ -	
Package Plant		Ea.		\$ -	
Holding Tanks		Ea.		\$ -	
Other _____				\$ -	
Water Mains 8" diameter		L.F.	\$ 16.00	\$ -	
Water Mains 4" diameter		L.F.		\$ -	
8" Valves		Ea.	\$ 700.00	\$ -	
Fixtures: Thrustblocks, Tees, & Bends		Ea.	\$ 650.00	\$ -	
Other: 3/4" Copper Service lines			\$ 9.00	\$ -	

STREET NAME: SANITARY SEWER

DEVELOPMENT: PANORAMA TERRACES SUB. Development Improvements Agreement

Fire Hydrants Including: _____ (T's, gate, valves, laterals)		Ea	\$ 1,900.00	\$ -
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(Costs of Construction - Page 2)

Subtotals Fwd.			\$ 85,707.00
Irrigation System			
Earthen Ditch	L.F.		\$ -
Concrete Ditch	L.F.		\$ -
Pressurized Pipe _____ diameter	L.F.		\$ -
Gravity Flow Pipe _____ diameter	L.F.		\$ -
Mains _____ diameter	L.F.		\$ -
Risers	Ea.		\$ -
Pumps	Ea.		\$ -
Other	Ea.		\$ -
On Site Water Supply	L.S.		\$ -
Survey Monuments	Ea.		\$ -
Survey Monument Boxes	Ea.		\$ -
Off Street Parking			\$ -
Sub-base Class _____	C.Y.		\$ -
Base-course Class _____	C.Y.		\$ -
Asphalt Paving Grade _____	Ton		\$ -
Street Lights	Ea.		\$ -
Street Name Signs	Ea.		\$ -
Traffic Control Devices			\$ -
Permanent (Stop Signs, etc.)	Ea.		\$ -
Temporary (Barricades, etc.)	Ea.		\$ -
Fencing, Screening, - Type _____	L.F.		\$ -
Landscaping (as per approved final development plan)			\$ -
1) Right-of-way	L.S.		\$ -
2) Open Space Landscaping	L.S.		\$ -
3) Other (as required by Mesa County)	L.S.		\$ -
Other _____			\$ -
Parking	S.F.		\$ -

Engineering Design @ 12% of the subtotal (if design is not completed and accepted by review agency.	\$ 10,284.84
Construction Management @ 3% of the subtotal	\$ 2,571.21
Supervision of all installations @ 4% of the subtotal	\$ 3,428.28
Total	\$ 101,991.33

If Desert Landscaping is proposed, a notarized letter to that effect will be required.

Prepared By: *D. Thies* 7/27/06.
Doug Thies, PE

Firm: Thompson Langford Corp.

Cost estimates have been reviewed by Mesa County Engineering and are acceptable as shown.

Engineering Supervisor: *W. D. Henry* 08/11/06

Note: An Improvements Release Form must be obtained from the County Planning Department as improvements are completed. The appropriate utility and/or County will inspect the improvement and certify that it has been constructed to specifications. Improve

Exhibit B

COSTS OF CONSTRUCTION

Only This Form Will Be Accepted By The County Engineering Division

Street Name: Wild Rose Way Length: 590 L.F.

Development: Panorama Terraces Subdivision

This form is for **one street only**. Acquire additional forms for each street in your development, including bordering street. Lump sum amounts will not be accepted unless designated, units must be used as shown. If a building permit hold is being utilized to secure the improvements, the unit cost and total cost columns do not need to be filled out.

Improvement	Qty	Unit	Unit Cost	Total Cost	Completion Date
Mobilization	1	L.S.	\$ 1,500.00	\$ 1,500.00	08/01/07 (Typical)
Utility Relocation		L.S.		\$ -	
Unclassified Excavation	2519	C.Y.	\$ 2.00	\$ 5,038.00	
Unclassified Embankment	6752	C.Y.	\$ 2.50	\$ 16,880.00	
Street Base-course Class 6	489	C.Y.	\$ 6.00	\$ 2,934.00	
Street Asphalt Paving Grade	272	Ton	\$ 50.00	\$ 13,600.00	
Curbs, Gutters, & 6.5' wide sidewalks	946	L.F.	\$ 24.00	\$ 22,704.00	
Concrete Pan <u>3</u> feet wide	95	L.F.	\$ 12.00	\$ 1,140.00	
8" Thick Corner Concrete	226	SY	\$ 47.50	\$ 10,735.00	
Storm Water Management Control Structure				\$ -	
Storm Sewer Shallow Manholes		Ea.		\$ -	
18" Flared End Sections	1	Ea.	\$ 250.00	\$ 250.00	
Storm Sewer Pipe _____ diameter		L.F.		\$ -	
Storm Sewer Standard Manholes	3	Ea.	\$ 1,250.00	\$ 3,750.00	
Storm Sewer Inlets	3	Ea.	\$ 1,800.00	\$ 5,400.00	
Storm Sewer Pipe 18" HDPE diameter	400	L.F.	\$ 25.00	\$ 10,000.00	
Sanitary Sewer Shallow Manholes		Ea.		\$ -	
Sanitary Sewer Mains _____ diameter		L.F.		\$ -	
Sanitary Sewer Trunk Lines _____ diameter		L.F.		\$ -	
Sanitary Sewer Laterals _____ diameter		L.F.		\$ -	
Sanitary Sewer Standard Manholes		Ea.	\$ 1,600.00	\$ -	
Sanitary Sewer Mains <u>8"</u> diameter		L.F.	\$ 20.00	\$ -	
Sanitary Sewer Trunk Lines _____ diameter		L.F.		\$ -	
Sanitary Sewer Laterals <u>4"</u> diameter		L.F.	\$ 12.50	\$ -	
On Site Sewage Facilities				\$ -	
Septic Tanks		Ea.		\$ -	
Package Plant		Ea.		\$ -	
Holding Tanks		Ea.		\$ -	
Other _____				\$ -	
Water Mains <u>8"</u> diameter	584	L.F.	\$ 16.00	\$ 9,344.00	
Water Mains <u>4"</u> diameter	0	L.F.	\$ 12.00	\$ -	
8" Valves	1	Ea.	\$ 700.00	\$ 700.00	
Fixtures: Thrustblocks, Tees, & Bends	7	Ea.	\$ 650.00	\$ 4,550.00	
Other: 3/4" Copper Service lines	383		\$ 9.00	\$ 3,447.00	
Fire Hydrants Including: _____				\$ -	
(T's, gate, valves, laterals)	2	Ea.	\$ 1,900.00	\$ 3,800.00	
Subtotals				\$ 115,772.00	

STREET NAME: WIND ROSE WAY

DEVELOPMENT: PANORAMA TERRACES SUB. Development Improvements Agreement

(Costs of Construction - Page 2)

Subtotals Fwd.			\$	115,772.00
Irrigation System				
Earthen Ditch		L.F.	\$	-
Concrete Ditch		L.F.	\$	-
Pressurized Pipe _____ diameter		L.F.	\$	-
Gravity Flow Pipe _____ diameter		L.F.	\$	-
Mains _____ diameter		L.F.	\$	-
Risers		Ea.	\$	-
Pumps		Ea.	\$	-
Other		Ea.	\$	-
On Site Water Supply		L.S.	\$	-
Survey Monuments		Ea.	\$	-
Survey Monument Boxes		Ea.	\$	-
Off Street Parking			\$	-
Sub-base Class _____		C.Y.	\$	-
Base-course Class _____		C.Y.	\$	-
Asphalt Paving Grade _____		Ton	\$	-
Street Lights		Ea.	\$	-
Street Name Signs	2	Ea.	\$ 200.00	\$ 400.00
Traffic Control Devices			\$	-
Permanent (Stop Signs, etc.)	2	Ea.	\$ 300.00	\$ 600.00
Temporary (Barricades, etc.)		Ea.	\$	-
Fencing, Screening, - Type _____		L.F.	\$	-
Landscaping (as per approved final development plan)			\$	-
1) Right-of-way		L.S.	\$	-
2) Open Space Landscaping		L.S.	\$	-
3) Other (as required by Mesa County)		L.S.	\$	-
Other _____			\$	-
Parking		S.F.	\$	-

Engineering Design @ 12% of the subtotal (if design is not completed and accepted by review agency.	\$ 14,012.64
Construction Management @ 3% of the subtotal	\$ 3,503.16
Supervision of all installations @ 4% of the subtotal	\$ 4,670.88
Total	\$ 138,958.68

If Desert Landscaping is proposed, a notarized letter to that effect will be required.

Prepared By: D. Thies 7/27/06
 Doug Thies, PE

Firm: Thompson Langford Corp.

Cost estimates have been reviewed by Mesa County Engineering and are acceptable as shown.

Engineering Supervisor: [Signature] 08/11/06

Note: An Improvements Release Form must be obtained from the County Planning Department as improvements are completed. The appropriate utility and/or County will inspect the improvement and certify that it has been constructed to specifications. Improvements Agreements will then be formally released at a regular meeting of the Board of County Commissioners.

Exhibit B

COSTS OF CONSTRUCTION

Only This Form Will Be Accepted By The County Engineering Division

Street Name: Offsite/Sequoia Court Improvements Length:

Development: Panorama Terraces Subdivision

This form is for **one street only**. Acquire additional forms for each street in your development, including bordering street. Lump sum amounts will not be accepted unless designated, units must be used as shown. If a building permit hold is being utilized to secure the improvements, the unit cost and total cost columns do not need to be filled out.

Improvement	Qty	Unit	Unit Cost	Total Cost	Completion Date
Mobilization	1	L.S.	\$ 500.00	\$ 500.00	08/01/07 (Typical)
Utility Relocation		L.S.		\$ -	
Unclassified Excavation	86	C.Y.	\$ 2.00	\$ 172.00	
Unclassified Embankment	91	C.Y.	\$ 2.50	\$ 227.50	
Street Base-course Class 6 (removal & replacement)	380	C.Y.	\$ 6.00	\$ 2,280.00	
Street Asphalt Paving Grade	144	Ton	\$ 50.00	\$ 7,200.00	
Curbs, Gutters, & 6.5' wide sidewalks	184	L.F.	\$ 13.50	\$ 2,484.00	
Curbs & Gutters _____ feet wide		L.F.		\$ -	
8" Thick Corner Concrete		SY		\$ -	
Storm Water Management Control Structure				\$ -	
Storm Sewer Shallow Manholes		Ea.		\$ -	
18" Flared End Sections		Ea.		\$ -	
Storm Sewer Pipe _____ diameter		L.F.		\$ -	
Storm Sewer Standard Manholes		Ea.		\$ -	
Storm Sewer Inlets		Ea.		\$ -	
Storm Sewer Pipe _____ diameter		L.F.		\$ -	
Sanitary Sewer Shallow Manholes		Ea.		\$ -	
Sanitary Sewer Mains _____ diameter		L.F.		\$ -	
Sanitary Sewer Trunk Lines _____ diameter		L.F.		\$ -	
Sanitary Sewer Laterals _____ diameter		L.F.		\$ -	
Sanitary Sewer Standard Manholes		Ea.		\$ -	
Sanitary Sewer Mains 8" diameter		L.F.		\$ -	
Sanitary Sewer Trunk Lines _____ diameter		L.F.		\$ -	
Sanitary Sewer Laterals 4" diameter		L.F.		\$ -	
On Site Sewage Facilities				\$ -	
Septic Tanks		Ea.		\$ -	
Package Plant		Ea.		\$ -	
Holding Tanks		Ea.		\$ -	
Other _____				\$ -	
Water Mains 8" diameter	819	L.F.	\$ 16.00	\$ 13,104.00	
Water Mains 4" diameter		L.F.		\$ -	
8" Valves	4	Ea.	\$ 700.00	\$ 2,800.00	
Fixtures: Thrustblocks, Tees, & Bends	2	Ea.	\$ 650.00	\$ 1,300.00	
Other: 3/4" Copper Service lines			\$ 9.00	\$ -	
Fire Hydrants Including: _____				\$ -	
(T's, gate, valves, laterals)		Ea.	\$ 1,900.00	\$ -	
Subtotals				\$ 30,067.50	

STREET NAME, OFFSITE/SEQUIA COURT IMPROVEMENTS
 DEVELOPMENT: PANORAMA TERRACES SUB, Development Improvements Agreement

(Costs of Construction - Page 2)

Subtotals Fwd.			\$	30,067.50
Irrigation System				
Earthen Ditch		L.F.	\$	-
Concrete Ditch		L.F.	\$	-
Pressurized Pipe _____ diameter		L.F.	\$	-
Gravity Flow Pipe _____ diameter		L.F.	\$	-
Mains _____ diameter		L.F.	\$	-
Risers		Ea.	\$	-
Pumps		Ea.	\$	-
Other		Ea.	\$	-
On Site Water Supply		L.S.	\$	-
Survey Monuments		Ea.	\$	-
Survey Monument Boxes		Ea.	\$	-
Off Street Parking			\$	-
Sub-base Class _____		C.Y.	\$	-
Base-course Class _____		C.Y.	\$	-
Asphalt Paving Grade _____		Ton	\$	-
Street Lights		Ea.	\$	-
Street Name Signs		Ea.	\$	-
Traffic Control Devices			\$	-
Permanent (Stop Signs, etc.)		Ea.	\$	-
Temporary (Barricades, etc.)		Ea.	\$	-
Fencing, Screening, - Type _____		L.F.	\$	-
Landscaping (as per approved final development plan)			\$	-
1) Right-of-way		L.S.	\$	-
2) Open Space Landscaping		L.S.	\$	-
3) Other (as required by Mesa County)		L.S.	\$	-
Other _____			\$	-
Parking		S.F.	\$	-

Engineering Design @ 12% of the subtotal (if design is not completed and accepted by review agency.	\$	3,608.10
Construction Management @ 3% of the subtotal	\$	902.02
Supervision of all installations @ 4% of the subtotal	\$	1,202.70
	\$	35,780.32

If Desert Landscaping is proposed, a notarized letter to that effect will be required.

Prepared By: D. Thies 7/27/06
 Doug Thies, PE

Firm: Thompson Langford Corp.

Cost estimates have been reviewed by Mesa County Engineering and are acceptable as shown.

Engineering Supervisor: [Signature] 08/11/06

Note: An Improvements Release Form must be obtained from the County Planning Department as improvements are completed. The appropriate utility and/or County will inspect the improvement and certify that it has been constructed to specifications. Improve

Exhibit B

p

COSTS OF CONSTRUCTION

Only This Form Will Be Accepted By The County Engineering Division

Street Name: Riverbend Court Length: 103 L.F.

Development: Panorama Terraces Subdivision

This form is for **one street only**. Acquire additional forms for each street in your development, including bordering street. Lump sum amounts will not be accepted unless designated, units must be used as shown. If a building permit hold is being utilized to secure the improvements, the unit cost and total cost columns do not need to be filled out.

Improvement	Qty	Unit	Unit Cost	Total Cost	Completion Date
Mobilization	1	L.S.	\$ 500.00	\$ 500.00	08/01/07 (Typical)
Utility Relocation		L.S.		\$ -	
Unclassified Excavation	452	C.Y.	\$ 2.00	\$ 904.00	
Unclassified Embankment	305	C.Y.	\$ 2.50	\$ 762.50	
Street Base-course Class 6	147	C.Y.	\$ 19.00	\$ 2,793.00	
Street Asphalt Paving Grade	105	Ton	\$ 50.00	\$ 5,250.00	
Curbs, Gutters, & 6.5' wide sidewalks	312	L.F.	\$ 13.50	\$ 4,212.00	
Curbs & Gutters _____ feet wide		L.F.		\$ -	
8" Thick Corner Concrete		SY	\$ 47.50	\$ -	
Storm Water Management Control Structure				\$ -	
Storm Sewer Shallow Manholes		Ea.		\$ -	
18" Flared End Sections		Ea.		\$ -	
Storm Sewer Pipe _____ diameter		L.F.		\$ -	
Storm Sewer Standard Manholes		Ea.		\$ -	
Storm Sewer Inlets		Ea.		\$ -	
Storm Sewer Pipe _____ diameter		L.F.		\$ -	
Sanitary Sewer Shallow Manholes		Ea.		\$ -	
Sanitary Sewer Mains _____ diameter		L.F.		\$ -	
Sanitary Sewer Trunk Lines _____ diameter		L.F.		\$ -	
Sanitary Sewer Laterals _____ diameter		L.F.		\$ -	
Sanitary Sewer Standard Manholes	0	Ea.	\$ 1,600.00	\$ -	
Sanitary Sewer Mains 8" diameter	0	L.F.	\$ 17.50	\$ -	
Sanitary Sewer Trunk Lines _____ diameter		L.F.		\$ -	
Sanitary Sewer Laterals 4" diameter	0	L.F.	\$ 12.50	\$ -	
On Site Sewage Facilities				\$ -	
Septic Tanks		Ea.		\$ -	
Package Plant		Ea.		\$ -	
Holding Tanks		Ea.		\$ -	
Other _____				\$ -	
Water Mains 8" diameter	0	L.F.	\$ 16.00	\$ -	
Water Mains 4" diameter	146	L.F.	\$ 12.00	\$ 1,752.00	
4" Valves	1	Ea.	\$ 700.00	\$ 700.00	
Fixtures: Thrustblocks, Tees, & Bends	2	Ea.	\$ 650.00	\$ 1,300.00	
Other: 3/4" Copper Service lines	186		\$ 9.00	\$ 1,674.00	
Fire Hydrants Including: _____				\$ -	
(T's, gate, valves, laterals)		Ea.	\$ 1,900.00	\$ -	
Subtotals				\$ 19,847.50	

Subtotals Fwd.			\$	19,847.50
Irrigation System				
Earthen Ditch		L.F.	\$	-
Concrete Ditch		L.F.	\$	-
Pressurized Pipe _____ diameter		L.F.	\$	-
Gravity Flow Pipe _____ diameter		L.F.	\$	-
Mains _____ diameter		L.F.	\$	-
Risers		Ea.	\$	-
Pumps		Ea.	\$	-
Other		Ea.	\$	-
On Site Water Supply		L.S.	\$	-
Survey Monuments		Ea.	\$	-
Survey Monument Boxes		Ea.	\$	-
Off Street Parking			\$	-
Sub-base Class _____		C.Y.	\$	-
Base-course Class _____		C.Y.	\$	-
Asphalt Paving Grade _____		Ton	\$	-
Street Lights		Ea.	\$	-
Street Name Signs	1	Ea.	\$ 200.00	\$ 200.00
Traffic Control Devices			\$	-
Permanent (Stop Signs, etc.)	1	Ea.	\$ 300.00	\$ 300.00
Temporary (Barricades, etc.)		Ea.	\$	-
Fencing, Screening, - Type _____		L.F.	\$	-
Landscaping (as per approved final development plan)			\$	-
1) Right-of-way		L.S.	\$	-
2) Open Space Landscaping		L.S.	\$	-
3) Other (as required by Mesa County)		L.S.	\$	-
Other _____			\$	-
Parking		S.F.	\$	-

Engineering Design @ 12% of the subtotal (if design is not completed and accepted by review agency.	\$ 2,441.70
Construction Management @ 3% of the subtotal	\$ 610.42
Supervision of all installations @ 4% of the subtotal	\$ 813.90
Total Estimated Construction Costs	\$ 24,213.52

If Desert Landscaping is proposed, a notarized letter to that effect will be required.

Prepared By: D. Thies 7/27/06
Doug Thies, PE

Firm: Thompson Langford Corp.

Cost estimates have been reviewed by Mesa County Engineering and are acceptable as shown.

Engineering Supervisor: [Signature] 08/11/06

Note: An Improvements Release Form must be obtained from the County Planning Department as improvements are completed. The appropriate utility and/or County will inspect the improvement and certify that it has been constructed to specifications. Improvements Agreements will then be formally released at a regular meeting of the Board of County Commissioners.

SUBDIVISION IMPROVEMENTS DISBURSEMENT AGREEMENT

This agreement is entered into by and between Mesa County, Colorado ("County"), First National Bank of the Rockies ("Bank"), and Panorama Terrace Developers, LLC ("Developer").

RECITATIONS

- A. Developer has been required by the County to construct certain improvements to Panorama Terraces Subdivision ("Improvements") in accordance with the Mesa County Land Development Code, under a Development Improvements Agreement ("DIA") which accompanies this document within the records of the Mesa County Clerk and Recorder ("Development Improvements Agreement") also known herein as Exhibit A, as it may be modified.
- B. The Bank has agreed to loan funds to the Developer for construction in the Panorama Terraces Subdivision, including for construction of the Improvements.
- C. The Mesa County Public Works Department / Engineering Division has approved an estimate of the costs of all the Improvements of \$ 386,610.76, and that amount of the Developer's loan proceeds shall be referred to in this Agreement as the "Funds". *Curey B. Horton, VP*
7-26-06
- D. The parties wish to insure that the Funds are disbursed only to pay for the Improvements.

TERMS

The parties, for valuable consideration, the receipt and adequacy of which is acknowledged, agree as follows:

1. **Funds for Improvements:** Bank shall lock out the Funds on behalf of Developer within three (3) days of execution of this agreement. The funds will not be paid out or disbursed to or on behalf of the Developer except as set forth in this Agreement.
2. **Disbursement of Funds:** Bank shall disburse all or a portion of the Funds only upon the receipt of the following, except as provided by Paragraph 4:
 - a. A draw request signed by a professional engineer licensed by the State of Colorado ("Engineer"), which shall state which of the Improvements has been completed; also that the engineer has inspected the Improvements for which payment is requested; also that the work has been completed in accordance with the approved plans and specifications; and that the sum requested to be disbursed is reasonable and consistent with the estimates which form the basis for the DIA; and
 - b. All bills or invoice for such work which have been approved by the Developer.
 - c. Copies of all draw requests for payment on road and drainage construction shall be submitted to the County Engineering Division and if no objection is received by the Bank within five (5) business days of receipt of the requests, the work shall be deemed accepted.
 - d. The final draw request shall contain signatures of acceptance by all entities serving the constructed improvements. Copies of the draw request and acceptance shall be submitted to the County Land Use and Development Division and the County Engineering Division. If no objection is received by the Bank within five (5) working days of receipt of the request and acceptance, the improvements shall be deemed accepted.
 - e. Upon proof of payment of the final draw request by the Bank and on the presentation by the Developer of a document or documents showing that the Developer owns the improvements in fee simple and that there are

no liens, encumbrances or other restrictions on the improvements, the County will execute a resolution verifying the acceptance of the improvements and waiving and releasing its right to draw on this Agreement.

Bank shall use Exhibit A attached to allocate disbursements for the appropriate line item for which Funds have been disbursed. Copies of its records for disbursements, including approved draw requests, shall be available to the County upon request. All parties acknowledge that the line items are estimates and that actual costs may exceed these estimates.

3. Default by Owner on Obligation to Bank: Upon default of the Developer on this obligation to Bank on the Funds, Bank shall disburse no further Funds to or at the direction of the Developer except to the county under the terms of this Agreement. Bank shall also notify the County Land Use and Development Division in writing immediately of any of the following:

- a. 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;
- b. Default on this obligation to Bank;
- c. Foreclosure of any lien against the Property or a portion of the Property or conveyance of the Property in lieu of foreclosure.

4. County's Rights Upon Default: Upon any default under the DIA, County shall notify the Bank of such event by a Notice of Deficiencies. If within thirty (30) days of receipt of a Notice of Deficiencies, Developer has not remedied the deficiencies or applied for an extension of time within 10 business days of this receipt of said Notice, Bank shall receive a copy of an Affidavit of Lapse of Improvements. Upon receipt of such Affidavit, Bank will immediately cease disbursement of Funds. The County shall have the option of requesting in writing disbursement of the full amount of the remaining undisbursed funds within 90 days from the date of the filed Affidavit Lapse of Improvements Agreement, which request shall promptly be honored by the Bank, for the purpose of satisfactory completion of the Improvements by the County or a successor party. If a successor party agrees in writing to complete the improvements, the County will hold the funds as full or partial security as required by the amount of the incomplete improvements. The County will release funds to the successor party after acceptance of satisfactorily constructed improvements and in accordance with paid invoices as approved by the County Public Works Director or his designee not to exceed the total amounts established on the new development improvements agreement.

Upon final completion and acceptance of the performance required under the DIA, County shall refund to Bank any funds disbursed which are not actually expended to pay all costs, expenses and liabilities, including attorney's fees, incurred in satisfactorily completing the improvements. The County shall have the option of enjoining the sale, transfer, or conveyance of lots within the Subdivision until the improvements are completed or accepted.

5. Developer Consent: Developer consents to disbursements and other conduct authorized by the provisions of this Agreement.

6. Liability for Loss: If the Bank fails to disburse Funds in accordance with the procedures as set forth under this Agreement and the County suffers loss by reason of such failure, Bank shall be liable to County for the amount of the County's loss.

7. Successors and Assigns: This agreement shall be binding on the heirs, successors, receivers and assigns of all parties and shall terminate when the County has accepted the Improvements and has recorded a release of this agreement, or upon receipt by the County of the full amount of the remaining undisbursed funds as requested upon default, or 91 days after the filing of an Affidavit of Lapse of Improvements Agreements, whichever comes first.

8. Notice: Any notice required or permitted by this Agreement will be deemed effective when personally delivered in writing of three (3) days after notice is deposited with the U.S. Postal Service, postage prepaid, certified, and return receipt requested, and addressed as follows:

cf 12 Developer

P. O. Box 55063 Grand Junction, CO 81502

Developer's Mailing Address

to County: Mesa County Planning & Development Department
P.O. Box 20,000
Grand Junction, CO 81502-5022

to Bank: _____
Bank Mailing Address

9. Immunity: Nothing contained in this Agreement constitutes a waiver of the County's sovereign immunity under any applicable state law.

10. Attorney's Fees: Should either party be required to resort to litigation to enforce the terms of the Agreement, the prevailing party, plaintiff or defendant, will be entitled to costs, including reasonable attorney's fees and expert witness fees, from the opposing party. If the court awards relief to both parties, the attorney's fees may be equitably divided between the parties by the decision maker.

By: [Signature] Date: 08/11/06
MESA COUNTY

Panorama Terrace Developers, LLC P.O. Box 55063 Grand Junction, CO 81502
Print Developer's Name Address

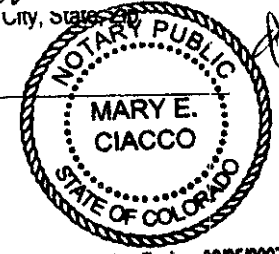
[Signature] 7-26-06
Signature of Developer and Date

Glen D. Whaley, Managing Member

Notarized by: [Signature]

My Commission Expires On: 8/25/07

[Handwritten notes]
7-31-06



My Commission Expires 08/25/2007

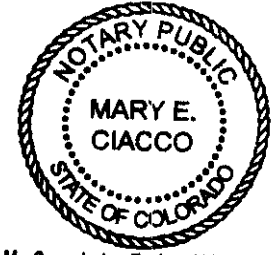
First National Bank of the Rockies 2452 Highway 6450, Grand Junction, CO 81502
Full Name of Bank Address City, State, Zip

By: Carey B. Horton, VP
Signature of Bank Officer

Carey B. Horton, Vice President Date 7-26-06
Print Name and Title of Bank Officer

Notarized by: [Signature]

My Commission Expires On: 8/25/07



My Commission Expires 08/25/2007

Panorama Terraces Subdivision was approved by the Mesa County Board of County Commissioners on June 28, 2005. The resolution for the approval was recorded on July 19, 2005 at Reception Number 2264777, at Book 3945 at Pages 249-252.