

Colorado Escrow and Title Services, LLC
520 Main Street, Suite C
Longmont, CO 80501
Phone: **303-678-8500**
Fax: **303-678-8509**

Transmittal Information

Date: **10/31/2014**

File No: **27449CET**

Property Address **5555 Racquet Court, Boulder, CO 80303**

Buyer\Borrower
Seller **Meadows Club, Inc.**

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

Title Officer:
Nate Abernathy
Colorado Escrow and Title Services, LLC
520 Main Street, Suite C
Longmont, CO 80501
Phone: **303-678-8500**
Fax: **303-678-8509**

Copies Sent to: Working Commitment

Customer:
Jim Kasic
Email: jkasic@comcast.net

Bray Archetecture
Attn: Jim Bray
Email: brayarch@comcast.net

Thank you for using **** COLORADO ESCROW AND TITLE SERVICES, LLC ****.

Colorado Escrow and Title Services, LLC
As agent for
Westcor Land Title Insurance Company

COMMITMENT FOR TITLE INSURANCE
SCHEDULE A

1. Effective Date: **October 27, 2014 at 8:00 am**

2. Policy or Policies to be issued:

A. ALTA 2006 OWNER'S POLICY

Proposed Insured:

B. ALTA 2006 LOAN POLICY

Proposed Insured:

Working Commitment Search	\$ 250.00
<hr/>	<hr/>
Total:	\$ 250.00

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

Meadows Club, Inc.

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

SEE ATTACHED EXHIBIT "A"

For Informational Purposes Only: **5555 Racquet Court, Boulder, CO 80303**

Countersigned
Colorado Escrow and Title Services, LLC

By:



Nate Abernathy

EXHIBIT "A"

Parcel I:

A tract of land situated in the W1/2 of the SW1/4 of Section 34, Township 1 North, Range 70 West of the 6th P.M., described as follows:

Commencing at the Southwest corner of said Section 34 from which the W1/4 corner of said Section 34 bears North 0°02'10" West; thence South 89°55' East, 660.00 feet along the South line of said Section 34 to the Southeast corner of that tract of land conveyed to C. Warren Slater and Jane R. Slater as described in Warranty Deed recorded on Film 534 at Reception No. 783316 of the records of Boulder County, Colorado; thence North 00°02'10" West 1062.34 feet along the East line of that tract of land as described on said Film 534 at Reception No. 783316 to the True Point of Beginning; thence North 89°55' West, 3.74 feet to a point of curve to the right; thence Northwesterly 192.39 feet along the arc of said curve to a point of reverse curve, said arc having a radius of 216.00 feet, a delta angle of 51°02'00" and being subtended by a chord that bears North 64°24'00" West 186.09 feet; thence Northwesterly 252.98 feet along the arc of said reverse curve to a point tangent, said arc having a radius of 284.00 feet, a delta angle of 51°02'15" and being subtended by a chord that bears North 64°24'08" West 244.70 feet; thence North 89°55'15" West 3.87 feet; thence North 0°02'10" West, 731.09 feet along the West line of that tract of land as described on said Film 534 at Reception No. 783316 to the Northwest corner thereof; thence South 89°55' East, 396.00 feet along the North line of that tract of land as described on said Film 534 at Reception No. 783316 to the Northeast corner thereof; thence South 0°02'10" East 917.66 feet along the East line of that tract of land as described on said Film 534 at Reception No. 783316 to the True Point of Beginning; County of Boulder, State of Colorado.

Parcel II:

Parcel A: All that portion of Outlot "D", "Meadow Glen", according to the recorded plat thereof, described as follows:

Beginning at the most Easterly corner of Outlot "D", "Meadow Glen", according to the recorded plat thereof, thence Westerly 143.51 feet along the Southerly line of said Outlot "D" and along the arc of a curve to the right having a radius of 108.81 feet and the chord of which arc bears North 76°40'02" West, 133.33 feet to a point tangent; thence North 38°53'00" West, 73.00 feet; thence Northwesterly 41.28 feet along the arc of a curve to the right having a radius of 97.00 feet and the chord of which arc bears North 26°41'26" West, 40.97 feet to a point on the Northerly line of said Outlot "D"; thence Southeasterly, 63.58 feet along the Northerly line of said Outlot "D" and along the arc of a curve to the right having a radius of 284.00 feet to a Point of Reverse Curve on said Northerly line of Outlot "D" thence Southeasterly, 173.41 feet along the Northerly line of said Outlot "D" and along the arc of a curve to the left having a radius of 216.00 feet to the Point of Beginning. County of Boulder, State of Colorado.

Parcel B: All that portion of the West half of the Southwest quarter of Section 34, Township 1 North, Range 70 West of the 6th P.M., described as follows:

Commencing at the Southeast corner of that tract of land conveyed to Meadows Club, Inc. by instrument recorded as Reception No. 060131 of the Boulder County, Colorado Records; thence North 0°02'10" West, 13.59 feet along the East line of said tract described as Reception No. 060131 to the True Point of Beginning; thence North 0°02'10" West, 131.41 feet along the East line of said tract described as Reception No. 060131; thence South 15°00'00" East, 73.58 feet; thence Southerly, 66.76 feet along the arc of a curve to the right having a

radius of 58.95 feet to the True Point of Beginning.
County of Boulder, State of Colorado.

Parcel C: All that portion of the West half of the Southwest quarter of Section 34, Township 1 North, Range 70 West of the 6th P.M., described as follows:

Commencing at the Southeast corner of that tract of land conveyed to Meadows Club, Inc. by instrument recorded as Reception No. 060131 of the Boulder County, Colorado Records;

thence North 0°02'10" West, 259.61 feet along the East line of said tract described as Reception No. 060131 to the True Point of Beginning;

thence North 0°02'10" West, 658.04 feet along the East line of said tract described as Reception No. 060131 to the Northeast corner thereof; thence South 89°55'00" East, 10.00 feet; thence South 0°02'10" East, 601.52 feet parallel with the East line of said tract described as Reception No. 060131; thence South 10°00'00" West, 57.38 feet to the True Point of Beginning.

County of Boulder, State of Colorado.

Westcor Land Title Insurance Company

COMMITMENT FOR TITLE INSURANCE

**SCHEDULE B - SECTION I
REQUIREMENTS**

Effective Date: **October 27, 2014 at 8:00am**

The following requirements must be met:

- (a) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- (b) Pay us the premium, fees and charges for the policy.
- (c) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded:
- (d) You must tell us in writing the name of anyone not referred to in this document who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions relating to the interest or the loan.

NOTE: This is an informational commitment only. The company reserves the right to add/change/delete requirements and/or exceptions upon receiving further information.

Westcor Land Title Insurance Company

COMMITMENT FOR TITLE INSURANCE

**SCHEDULE B - SECTION II
EXCEPTIONS**

Effective Date: **October 27, 2014 at 8:00am**

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

1. Rights or claims of parties in possession not shown by the Public Records.
2. Easements or claims of easements not shown in the Public Records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the land would disclose, and which are not shown by the public record.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires of record for value the estate or interest or mortgage thereon covered by this Commitment.
6. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof.
7. Any water rights or claims or title to water, in or under the land, whether or not shown by the public records.
8. Taxes due and payable; and any tax, special assessments, charge or lien imposed for water or sewer service, or for any other special taxing district. Note: Upon verification of payment of all taxes the above exception will be amended to read, "Taxes and assessments for the current year, and subsequent years, a lien not yet due and payable."
9. **All recorded covenants, conditions, restrictions, leases, mineral reservations, and mineral leases, if any. All recorded rights of way and easements, including for roads, highways, ditches, creeks, canals, reservoirs, utilities, drainage, pipelines, railroads and avigation.**
10. **Terms, agreements, provisions, conditions and obligations as contained in Agreement recorded April 23, 1973 at [Reception No. 63200](#).**
11. **Terms, agreements, provisions, conditions and obligations as contained in Agreement recorded April 23, 1973 at [Reception No. 63201](#).**
12. **Terms, agreements, provisions, conditions and obligations as contained in Ordinance No. 4138 recorded October 28, 1976 at [Reception No. 197727](#).**
13. **Terms, agreements, provisions, conditions and obligations as contained in Agreement recorded December 22, 1976 at [Reception No. 204262](#).**
14. **Terms, agreements, provisions, conditions and obligations as contained in Grant of Easement and Right-of-Way recorded January 13, 1977 at [Reception No. 207021](#).**

15. **Terms, agreements, provisions, conditions and obligations as contained in Agreement recorded July 28, 1978 at [Reception No. 291301](#).**
16. **Any existing leases or tenancies.**
17. **Water, water rights, claims of title or interest in water.**
18. **Notes, easements and encroachments as shown on Improvement Location Certificate by Flatirons, Inc., dated January 17, 2008 with Job No. 08-53.988.**
19. **Deed of Trust from Meadows Club, Inc. to the Public Trustee of the County of Boulder for the use of Flatirons Bank to secure \$2,250,000.00, dated March 29, 2010 and recorded April 1, 2010 at [Reception No. 03066881](#).**

NOTE: Disburser's Notice recorded April 1, 2010 at [Reception No. 03066882](#), given in connection with the above Deed of Trust.

20. **Financing Statement from Meadows Club, Inc., debtor to Flatirons Bank, secured party, recorded April 1, 2010 at [Reception No. 03066883](#).**

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

COLORADO ESCROW AND TITLE SERVICES, LLC 520 MAIN STREET, SUITE C,
LONGMONT, CO 80501 PH (303) 678-8500 FAX (303) 678-8509

WIRING INSTRUCTIONS

FLATIRONS BANK
1095 CANYON BLVD. #100
BOULDER, CO 80302

ABA# 107006839

FOR DEPOSIT TO THE ACCOUNT OF:

COLORADO ESCROW & TITLE SERVICES, LLC
520 MAIN STREET, #C
LONGMONT, CO 80501

ACCOUNT#01206432

REFERENCE CUSTOMER NAME

Additional Documents

Westcor Land Title Insurance Company Title Commitment Jacket

Westcor Land Title Insurance Company Privacy Policy Notice

Colorado Escrow & Title, LLC. Understanding Your Title Commitment

Colorado Escrow & Title, LLC. Conditions and Stipulations

Colorado Escrow & Title, LLC. Disclosures

FILM : 815

3201

COUNTY OF BOULDER
STATE OF COLORADO
FILED IN OFFICE ON
APR 23 3 26 PM '73
CLERK AND
RECORDER
HERBERT C. LUTHER

A G R E E M E N T

THIS AGREEMENT, Made and entered into this 19th day of April, 1973, by and between the BOULDER COUNTY COMMISSIONERS OF BOULDER COUNTY, COLORADO, hereinafter referred to as "County", and THE MEADOWS CLUB, INC., a Colorado corporation, hereinafter referred to as the "Owners",

WITNESSETH:

WHEREAS, the Owners have submitted to the County for approval, plans of a development of The Meadow recreation facility located at approximately 55th and Baseline Road in Boulder County, Colorado; and

WHEREAS, the County has considered the plans, the proposed development and improvement of the land thereon and requirements imposed upon the land by reason of the proposed development and improvement of the land included in the plans; and

WHEREAS, the County and Owners mutually acknowledge and agree that the matters hereinafter set forth are reasonable conditions and requirements to be imposed by the County in connection with their approval, and the issuance of special use permit, and that such matters are necessary to protect, promote and enhance the public welfare.

NOW, THEREFORE, in consideration of the premises, the mutual covenants herein contained, and the approval and acceptance of the plans by the County, it is agreed as follows:

1. The Owners agree to construct a permanent roadway as per the special use permit map and County approved plans to City of Boulder standards from 55th Street to the east end of the existing property in two phases. The first phase of the road construction will be completed within three (3) years from the date hereof, and the second phase of construction will be completed at such time deemed appropriate by the County Commissioners.

2. The Owners agree that they will maintain the said roadway

and parking area and further will provide adequate dust abatement on the road and parking area until the paving is completed. Dust abatement shall be done with suitable materials such as common road oil. Maintenance of the road will continue until the roadway is accepted by the City or County of Boulder.

3. The Owners agree that they will construct the plantings, weir and the drainage system according to the special use permit map (Docket #637 on file in the County Planning Department) and will maintain the plantings, weir and drainage system in a reasonable manner.

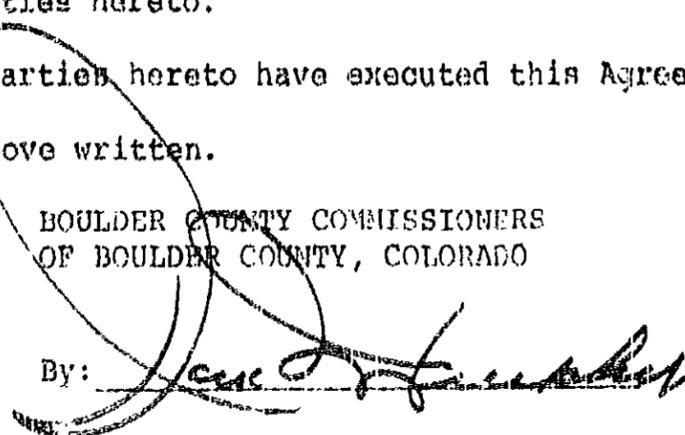
4. The Owners agree that they will complete construction of all roads shown on the special use permit map according to the schedule hereinbefore stated, and the construction of the weir and the drainage system and plantings will be completed within six (6) months after issue of Building Permit. The County acknowledges receipt of a letter of credit, attached hereto and marked Exhibit "A" binding the Owners to complete all the improvements as noted herein.

This Agreement is made in consideration of the approval by the Board of County Commissioners of the County of Boulder of the plan of the aforesaid recreation complex and issuance of special use permit.

This Agreement shall be binding upon and inure to the benefit of the heirs, successors, executors, administrators, personal representatives and assigns of the parties hereto.

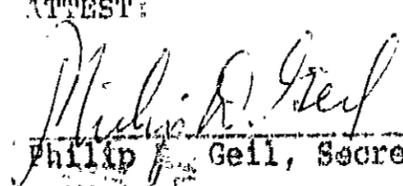
IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

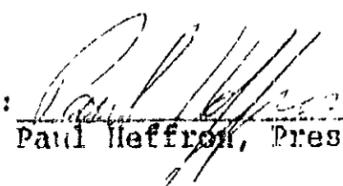
BOULDER COUNTY COMMISSIONERS
OF BOULDER COUNTY, COLORADO

By: 

THE MEADOWS CLUB, INC.

ATTEST:


Philip Gell, Secretary

By: 

Paul Heffron, President

105600



COUNTY OF BOULDER
STATE OF COLORADO
SPECIAL OFFICE ON
APR 23 3 25 PM '73
T-815
HENRY C. PUTNEY

A G R E E M E N T

THIS AGREEMENT, Made and entered into this 19th day of APRIL, 1973, by and between the BOULDER COUNTY COMMISSIONERS OF BOULDER COUNTY, COLORADO, hereinafter referred to as "County", and THE MEADOWS CLUB, INC., a Colorado corporation, hereinafter referred to as the "Owners",

WITNESSETH.

WHEREAS, the Owners have submitted to the County for approval, plans of a development of The Meadows recreation facility located at approximately 55th and Baseline Road in Boulder County Colorado, and

WHEREAS, the County has considered the plans, the proposed development and improvement of the land thereon and requirements imposed upon the land by reason of the proposed development and improvement of the land included in the plans; and

WHEREAS, the County and Owners mutually acknowledge and agree that the matters hereinafter set forth are reasonable conditions and requirements to be imposed by the County in connection with their approval, and the issuance of special use permit, and that such matters are necessary to protect, promote and enhance the public welfare.

NOW, THEREFORE, in consideration of the premises, the mutual covenants herein contained, and the approval and acceptance of the plans by the County, it is agreed as follows:

1. The Owners agree to construct a permanent roadway as per the special use permit map and County approved plans to City of Boulder standards from 55th Street to the east end of the existing property in two phases. The first phase of the road construction will be completed within three (3) years from the date hereof, and the second phase of construction will be completed at such time deemed appropriate by the County Commissioners.

2. The Owners agree that they will maintain the said roadway

and parking area and further will provide adequate dust abatement on the road and parking area until the paving is completed. Dust abatement shall be done with suitable materials such as common road oil. Maintenance of the road will continue until the roadway is accepted by the City or County of Boulder.

3. The Owners agree that they will construct the plantings, weir and the drainage system according to the special use permit map (Docket #637 on file in the County Planning Department) and will maintain the plantings, weir and drainage system in a reasonable manner.

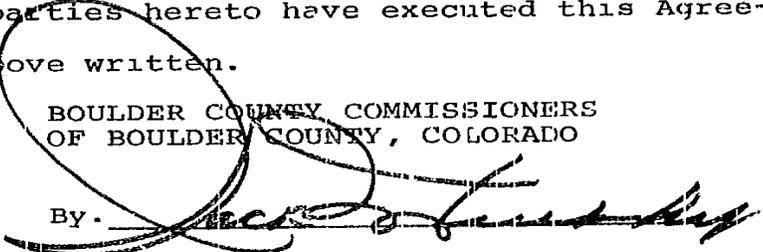
4. The Owners agree that they will complete construction of all roads shown on the special use permit map according to the schedule hereinbefore stated, and the construction of the weir and the drainage system and plantings will be completed within six (6) months after issue of Building Permit. The County acknowledges receipt of a letter of credit, attached hereto and marked Exhibit "A" binding the Owners to complete all the improvements as noted herein.

This Agreement is made in consideration of the approval by the Board of County Commissioners of the County of Boulder of the plan of the aforesaid recreation complex and issuance of special use permit.

This Agreement shall be binding upon and inure to the benefit of the heirs, successors, executors, administrators, personal representatives and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

BOULDER COUNTY COMMISSIONERS
OF BOULDER COUNTY, COLORADO

By, 

THE MEADOWS CLUB, INC.

By, 

Paul Heffron, President.

ATTEST:


Philip D. Geil, Secretary

291301

Reception No. Charlotte Houston, Boulder County Recorder

AGREEMENT

THIS AGREEMENT, made this 10th day of July, 1978, by and between Meadows Club, Inc., Meadow Glen Associates and others, hereinafter referred to as "Subdivider," and the City of Boulder, a Colorado municipal corporation, hereinafter referred to as "City," WITNESSETH:

RECITALS

WHEREAS, Subdivider is interested in obtaining approval from the City of a subdivision to be known as Meadow Glen II, located in the City of Boulder, Colorado;

WHEREAS, the City is interested in ensuring that certain things will be accomplished by Subdivider in order to protect the public health, safety and welfare;

COVENANTS

NOW, THEREFORE, in consideration of the recitals, premises and covenants herein set forth, and other good and valuable consideration herein receipted for, the parties agree as follows:

1. Subdivider shall be responsible for installing curb/gutter, detached walk, and street improvements in the interior streets as laid out on the subdivision as filed known as Meadow Glen II. All such improvements shall be made in accordance with plans and specifications drawn according to regulations and construction standards for such improvements and be approved by the City Engineer. Such plans shall be submitted to and approved by the City Engineer before the final plat will be submitted to the City Council. The guarantee is to be in the form of a letter of credit from a bank or a guarantee letter from a lender, either in a form satisfactory to the office of the City Attorney. If the construction is not completed and paid for by Subdivider in accordance with the provisions thereof, the City may, in its absolute discretion, complete said construction or cause the same to be done and pay outstanding claims and bills incurred in completing the improvements, and the City shall have full power and authority to use all, or any part, of the escrow fund or the guarantee furnished for paying for such construction. Any amount needed above the estimated cost for such improvements shall be paid by the Subdivider. If, and when, Subdivider

constructs all, or a part, of the improvements and the same have been paid for, the City of Boulder shall reduce the amount of the guarantee required.

2. The Subdivider promises to submit a storm drainage plan for the subdivision which is acceptable to the City Engineer and obtain approval thereof prior to submittal of the plat to the City Council. Subdivider promises to guarantee the completion of all improvements for storm drainage in the same manner as street improvements as set forth in 1. above.

3. Subdivider promises to submit a water and sewer utility plan for the subdivision. Such plan shall be submitted to and approved by the City Engineer prior to submittal of the plat to the City Council. A financial guarantee for installation thereof shall be provided by the Subdivider in accordance with those standards for street improvements as set forth in 1. above.

4. All conditions of the Agreement dated August 11, 1977, between Meadows Club, Inc., Meadow Glen Associates and others, and the City of Boulder for the Meadow Glen Subdivision are applicable to Meadow Glen II Subdivision.

5. All improvements shall be completed in accordance with the plans as approved.

6. This agreement shall be recorded in order to put prospective purchasers or other interested parties on notice as to any terms hereof which may affect and be binding upon any of the property herein involved. A release executed by the City Attorney or a member of his staff shall be binding upon the City of Boulder and release the lot(s) from any claim by the City of Boulder under the terms hereof.

7. If at any time any part hereof has been breached by the Subdivider, the City may withhold approval of any or all building permits applied for in the subdivision until the breach or breached has or have been cured.

8. This agreement shall be enforced, if not completed sooner, for the lives of Philip Geil and Bill Phillips, plus twenty years and three hundred sixty-four days.

EXECUTED on the day and year first above written.

CITY OF BOULDER, COLORADO

By: [Signature]
City Manager

Attest:

[Signature]
Director of Finance & Record
Ex-officio City Clerk

Meadow Glen Associates

By: [Signature]
Philip D. Geil
Partner

By: [Signature]
Norris W. Hermsmeyer

STATE OF COLORADO)
COUNTY OF BOULDER } SS.

The foregoing instrument was acknowledged before me this 10th day of July, 1978, by Philip D. Geil and Norris W. Hermsmeyer.

Witness my hand and official seal.

My commission expires 5/24/79.

[Signature]
Notary Public



ATTACHMENT "A"

DESCRIPTION OF PROPOSED
WATER LINE, METER AND FIRE HYDRANT EASEMENT
MEADOWS CLUB
BOULDER, COLORADO

A parcel of land located within the W 1/2 of the SW 1/4 of Section 34, T1N, R70W of the 6th P.M. in Boulder County, Colorado, the centerline of which is more particularly described as follows:

Commencing at the SW corner of said Section 34, thence $N00^{\circ}02'10''W$ a distance of 1,248.89 feet along the west line of said Section 34;

Thence $S89^{\circ}55'15''E$ a distance of 264.00 feet along the northerly right-of-way line of Racquet Lane;

Thence $S84^{\circ}33'52''E$ a distance of 49.00 feet to the True Point of Beginning on the northerly right-of-way line of Racquet Lane;

Thence $N22^{\circ}34'45''E$ a distance of 266.60 feet to a point of terminus.

Said easement extends 7.50 feet on both sides of said centerline along the southerly 233.00 feet of said centerline and extends southerly along said side lines to the northerly right-of-way line of Racquet Lane; said easement extends 7.50 feet westerly and 27.00 feet easterly from said centerline along the northerly 33.60 feet of said centerline.

948

Recorded at 11:00 o'clock A.M. DEC 22 1976
Reception No. 204262 Clara A. Rorex, Boulder, Co. Recorder

AGREEMENT

THIS AGREEMENT, made this 16TH day of SEPTEMBER, 1976, by and between the City of Boulder, a Colorado municipal corporation, hereinafter referred to as "City," and the Meadows Club, Inc., Meadow Glen Associates and others, hereinafter jointly referred to as "Applicants," WITNESSETH:

RECITALS

WHEREAS, the Applicants are the owners of certain real property located in the County of Boulder, State of Colorado, hereinafter referred to as the "subject property," and particularly described in attached Exhibit "A";

WHEREAS, the Applicants have petitioned the City for annexation to the City of the subject property; and

WHEREAS, in the event of such annexation, the City is interested in ensuring that certain conditions be fulfilled by the Applicants in order to protect the public health, safety and welfare;

COVENANTS

NOW, THEREFORE, in consideration of the recitals, premises and covenants herein set forth, and other good and valuable consideration herein receipted for, the parties agree as follows:

1) Upon second reading approval of the annexation ordinance, Applicants agree to petition and pay the applicable fees for, and obtain, inclusion of the subject property in the Northern Colorado Water Conservancy District and the Municipal Subdistrict thereof.

2) Prior to the granting of any building permit in the subject property, Applicants will design and construct to City standards, and then dedicate to the City, the streets shown on the planned unit development proposals, including curb, gutter,

street lights and sidewalk, and also design and construct to City standards, and then dedicate to the City, the sewer and water mains shown thereon. It is understood that the City may require such mains to be oversized, with reimbursement therefor according to normal City procedures.

3) Applicant Meadows Club, Inc. further agrees:

a) One-half of a share of stock in the Howard Ditch Company is recorded in the name of the Meadows Club, Inc. which will assume the responsibilities of a stockholder in said Ditch Company.

b) If, at any time, the water associated with the one-half share of Howard Ditch Company stock is not sufficient to provide irrigation water and/or lake losses, and potable City water must be used as a supplemental source, then the use of the Howard Ditch water as a source of irrigation and/or lake makeup shall cease and the entire source shall be potable City water. All current fees shall be paid for a permanent connection to the City water supply, and the one-half share of Howard Ditch Company stock will be offered for sale to the City at a fair market price.

c) To comply with all conditions on its planned unit development recommended by Planning Board.

4) Applicant Meadow Glen Associates further agrees:

a) Prior to annexation, one-half share of Howard Ditch Co. stock will be recorded in the name of the Meadow Glen Associates which will assume the responsibilities of a stockholder in the Howard Ditch Company. At a later date, this stock may be transferred to a homeowners' association.

b) At such a time as building permits have been issued for 50 percent of the dwelling units in the Meadow Glen development, an evaluation shall be made by the City Utility

Department to determine the estimated irrigation water requirements for the remaining portion of the development as well as the actual requirements for the developed area. In the event that additional irrigation water is required, the Meadow Glen developers shall have an option prior to the issuance of any additional building permits to either: (1) purchase sufficient additional Howard Ditch Company stock to satisfy the irrigation water requirements; or (2) connect the new development to the potable City water supply for irrigation water; or (3) connect the entire development to the potable City water supply and offer for sale to the City the one-half share of Howard Ditch Company stock at a fair market price.

c) If Howard Ditch Company water is to be used for irrigation purposes, and if, at any time, the water associated with the one-half (or any additional) share(s) of Howard Ditch Company stock is not sufficient to provide irrigation water and/or lake losses, and potable City water must be used as a supplemental source, then the use of the Howard Ditch water as a source of irrigation and/or lake makeup shall cease and the entire source shall be potable City water. All current fees shall be paid for a permanent connection to the City water supply, and the Howard Ditch Company stock will be offered for sale to the City at a fair market price.

d) To comply with all conditions on its planned unit development recommended by Planning Board, and to subdivide the relevant property in conformance therewith.

e) To pay all applicable front foot charges for existing mains and tap fees and service line fees for existing houses prior to the time of subdivision.

f) Separate utility taps are required for all

single-family houses, condominiums and townhouses; apartment units may have common taps.

g) To implement the storm drainage and flood retention and storage plan and improvements at or before the time of subdivision.

h) On or before the effective date of the annexation ordinance, to dedicate the public park shown on the planned unit development plan.

i) Prior to the issuance of each building permit for the subject property, to pay to the City a parkland acquisition and development fee in accordance with City Council Resolution No. 57, Series of 1968, or, if the fee schedule therein is amended or superseded, in accordance with the schedule in effect at the time the building permit is applied for, for each dwelling unit included in the building permit, and to advise all purchasers of any portion of the subject property of this obligation.

j) In order to comply with the requirements of City Council Resolution No. 115, Series of 1973, to develop under Section 8 FHA financing 20 units of low/moderate cost rental units of a two-bedroom family type, and to be bound for the inclusion in this program for an initial period of five years. Subject to mutual approval of the owners, City of Boulder and FHA, Section 8 financing may continue for an additional five-year period. A preliminary proposal will be submitted to FHA with relevant information prior to subdivision. Building permits for these units will be among the first 70 issued in Meadow Glen. Six units will be in two triplex buildings; the remainder will be in 4-8 unit complexes, north of Pennsylvania Avenue.

As an alternative to the rental units pledged

above, Meadow Glen Associates may substitute on a one-for-one basis rehabilitated housing along 55th Street, again as part of the first 70 building permits.

In the event FHA Section 8 funding is not available, or this project is deemed unsuitable per FHA standards, the developers agree to return to the Boulder Housing Authority to develop an alternative approach to the 15% low/moderate cost housing requirement.

k) Prior to subdividing the property, to submit for approval to the City their plan for ensuring joint use and maintenance of commonly owned property and facilities.

l) To dedicate to the City of Boulder 45,375 square feet of land as shown on the planned unit development for a future "Meadows" Park.

6) This Agreement may be recorded in order to put prospective purchasers or other interested parties on notice as to any of the terms contained herein. A release executed by the City Attorney or a member of his staff shall be binding upon the City and release the property from any claim by the City under the terms hereof.

7) If at any time any part hereof has been breached by the Applicants, the City may withhold approval of any or all building permits applied for on the subject property until the breach or breaches has or have been cured.

8) The agreements and covenants as set forth herein shall run with the land and be binding upon the Applicants, their heirs, successors, representatives and assigns, and all persons who may hereafter acquire an interest in the subject property or any part thereof. If it shall be determined that this Agreement creates an interest in land, that interest shall

vest, if at all, within the lives of Philip D. Geil and Kirk Wickershan, Jr., plus twenty years and three hundred sixty-four days.

EXECUTED on the day and year first above written.

CITY OF BOULDER, COLORADO

By: *Robert M. Kelly*
City Manager

Attest:

Carroll D. Geil
Acting Director of Finance
and Record
Ex-officio City Clerk

MEADOWS CLUB, INC

By: *William D. Stewart* President

Attest:

Charles N. Wintz

MEADOW GLEN ASSOCIATES

By: *Harold W. Hennings*
Philip D. Geil

Attest:

Charles N. Wintz

STATE OF COLORADO)
) SS.
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this
16th day of September, 1976, by William D. Stewart

Witness my hand and official seal.

My commission expires July 1, 1980

Lela Underballe
Notary Public



STATE OF COLORADO)
) SS.
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this
16th day of September, 1976, by James W. Hernandez
and Philip D. Seil

Witness my hand and official seal.

My commission expires July 1, 1980

Lela Underballe
Notary Public



Exhibit "A"

Tract "A"

Legal description of a tract of land in the Southwest quarter of Section 34, Township 1 North, Range 70 West of the 6th P.M.

Commencing at the Southwest corner of Section 34, Township 1 North, Range 70 West of the 6th P.M.;

thence South $89^{\circ}55'00''$ East, 1038.62 feet along the South line of said Section 34 to the Southwest corner of that tract of land described by deed recorded in Book 1182 at Page 59 of the Boulder County, Colorado Records;

thence North $89^{\circ}55'00''$ West, 185.00 feet along the South line of said Section 34 to the True Point of Beginning;

thence North $00^{\circ}14'50''$ West, 235.00 feet parallel with the East line of the West half of the Southwest quarter of said Section 34;

thence South $89^{\circ}55'00''$ East, 185.00 feet parallel with the South line of said Section 34 to a point on the West line of said tract of land described in Book 1182 at Page 59;

thence North $00^{\circ}14'50''$ West, 2416.23 feet parallel with the East line of the Southwest quarter of said Section 34 to the Northwest corner of that tract of land described by deed recorded in Book 1182 at Page 57 of the Boulder County Colorado Records;

thence North $89^{\circ}56'15''$ West, 372.06 feet along the North line of the Southwest quarter of said section 34 to the Northeast corner of the West half of the West half of the Southwest quarter of said Section 34;

thence South $00^{\circ}08'30''$ East, 671.00 feet along the East line of the West half of the West half of the Southwest quarter of said Section 34 to a point on the North line of that tract of land described on Film 812 as Reception No. 060131 of the Boulder County, Colorado Records;

thence South $89^{\circ}55'00''$ East, 1.93 feet to the Northeast corner of said tract described as Reception No. 060131;

thence South $00^{\circ}02'10''$ East 917.66 feet to the Southeast corner of said tract described as Reception No. 060131;

thence North $89^{\circ}55'00''$ West, 3.74 feet along the Southerly line of said tract described as Reception No. 060131;

thence Northwesterly 192.39 feet along the Southerly line of said tract described as Reception No. 060131 and along the arc of a curve to the right having a radius of 216.00 feet to a point of reverse curve; on said southerly line;

thence Northwesterly 252.98 feet along the Southerly line of said tract described as Reception No. 060131 and along the arc of a curve to the left having a radius of 284.00 feet to a point tangent on said Southerly line;

thence North $89^{\circ}55'15''$ West 3.87 feet to the Southwest corner of said tract described as Reception No. 060131;

thence South $00^{\circ}02'10''$ East, 521.91 feet parallel with the West line of said Section 34 to a point on a line 726.00 feet North of and Parallel with the South line of said Section 34;

thence South $89^{\circ}55'00''$ East, 396.37 feet parallel with the South line of said Section 34 to a point on the West line of the East half of the West half of the Southwest quarter of said Section 34;

thence South $00^{\circ}08'30''$ East, 726.00 feet along the West line of the East half of the West half of the Southwest quarter of said Section 34 to the Southwest corner of the East half of the West half of the Southwest quarter of said Section 34;

thence South $89^{\circ}55'00''$ East, 191.92 feet along the South line of said Section 34 to the True Point of Beginning.

County of Boulder,
State of Colorado.

Commencing at the Southwest Corner of Section 34, Township 1 North, Range 70 West of the 6th P.M.;

thence South $89^{\circ}55'00''$ East, 660.00 feet along the South line of said section 34;

thence North $00^{\circ}02'10''$ West, 726.00 feet parallel with the West line of said section 34 to THE TRUE POINT OF BEGINNING;

thence North $00^{\circ}02'10''$ West, 336.34 feet parallel with the West line of said section 34 to the Southeast corner of that tract of land conveyed to Meadows Club, Inc. by deed recorded on File 612 as Reception No. 060131 of the Boulder County, Colorado records;

thence North $89^{\circ}55'00''$ West, 3.74 feet along the Southerly line of said tract described as Reception No. 060131 to a point of curve to the right on said Southerly line;

thence Northwesterly 192.39 feet along the arc of said curve to the right, said arc having a radius of 216.00 feet, to a point of reverse curve on said Southerly line;

thence Northwesterly 252.98 feet along the arc of said reverse curve, said reverse curve having a radius of 284.00 feet, to a point tangent on said Southerly line;

thence North $89^{\circ}55'15''$ West, 3.87 feet along said Southerly line to the Southwest corner of said tract described as Reception No. 060131;

thence South $00^{\circ}02'10''$ East 521.91 feet parallel with the West line of said section 34 to a point which bears North $89^{\circ}55'00''$ West parallel with the South line of said section 34 from THE TRUE POINT OF BEGINNING;

thence South $89^{\circ}55'00''$ East, 396.00 feet parallel with the South line of said section 34 to THE TRUE POINT OF BEGINNING.

Commencing at the Southwest corner of Section 34, Township 1 North, Range 70 West of the 6th P.M.;

thence South $89^{\circ}55'00''$ East 660.00 feet along the South line of said section 34;

thence North $00^{\circ}02'10''$ West, 726.00 feet parallel with the West line of said section 34 to THE TRUE POINT OF BEGINNING;

thence North $00^{\circ}02'10''$ West, 201.34 feet parallel with the West line of said section 34 to a point on the West line of the East half of the West half of the Southwest Quarter of said section 34;

thence South $00^{\circ}08'30''$ East, 201.34 feet along the West line of the East half of the West half of the Southwest quarter of said section 34 to a point which bears South $89^{\circ}55'00''$ East from THE TRUE POINT OF BEGINNING;

thence North $89^{\circ}55'00''$ West, 0.37 feet to THE TRUE POINT OF BEGINNING.

County of Boulder,
State of Colorado.

TRACT "D"

That portion of the Southwest quarter of Section 34, Township 1 North, Range 70 West of the 6th P.M., describes as follows:

Beginning at the Southwest corner of said section 34;

thence North $00^{\circ}02'10''$ West along the West line of said section 34 a distance of 1308.89 feet to the TRUE POINT OF BEGINNING;

thence South $89^{\circ}55'16''$ East, 262.22 feet;

thence North $00^{\circ}05'06''$ West, 17.32 feet to the North line of the Southwest Quarter of the Southwest Quarter of said section 34;

thence South $89^{\circ}55'17''$ East, 1.64 feet along said North line;

thence North $00^{\circ}05'06''$ West, 52.68 feet;

thence North $89^{\circ}55'18''$ West, 263.79 feet to a point on the West line of said section 34;

thence South along said West line 70.00 feet to THE TRUE POINT OF BEGINNING.

TRACT "E"

A tract of land in Section 34, Township 1 North, Range 70 West of the 6th P.M., described as follows:

Commencing at the Southwest corner of said Section 34;
thence North $00^{\circ}02'10''$ West along the West line of said Section 34, a distance of 1248.89 feet to THE TRUE POINT OF BEGINNING;
thence South $89^{\circ}55'16''$ East, 262.27 feet;
thence North $00^{\circ}05'06''$ West, 60.00 feet;
thence South $89^{\circ}55'16''$ East, 262.22 feet to a point on the West line of said section 34;
thence South along said West line of said Section 34, a distance of 60.00 feet to the TRUE POINT OF BEGINNING.

TRACT "F"

A tract of land situated in the West $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of Section 34, Township 1 North, Range 70 West of the 6th P.M., described as follows:

Commencing at the Southwest corner of said Section 34 from which the West $\frac{1}{2}$ corner of said section 34 bears North $00^{\circ}02'10''$ West;
thence South $89^{\circ}55'$ East, 660.00 feet along the South line of said section 34 to the Southeast corner of that tract of land conveyed to C. Warren Slater and Jane R. Slater as described in Warranty Deed recorded on Film 534 as Reception No. 783316 of the records of Boulder County, Colorado;
thence North $00^{\circ}02'10''$ West 1062.34 feet along the East line of that tract of land as described on said Film 534 as Reception No. 783316 to the TRUE POINT OF BEGINNING;
thence North $89^{\circ}55'$ West, 3.74 feet to a point of curve to the right;
thence Northwesterly 192.39 feet along the arc of said curve to a point of reverse curve, said arc having a radius of 215.00 feet, a delta angle of $51^{\circ}02'00''$ and being subtended by a chord that bears North $64^{\circ}24'00''$ West, 186.09 feet;
thence Northwesterly 252.98 feet along the arc of said reverse curve to a point tangent, said arc having a radius of 284.00 feet, a delta angle of $51^{\circ}02'15''$ and being subtended by a chord that bears North $64^{\circ}24'08''$ West, 244.70 feet;
thence North $89^{\circ}55'15''$ West, 3.87 feet;
thence North $00^{\circ}02'10''$ West, 731.09 feet along the West line of that tract of land as described on said Film 534 as Reception No. 783316 to the Northwest corner thereof;
thence South $89^{\circ}55'$ East, 396.00 feet along the North line of that tract of land as described on said Film 534 as Reception No. 783316 to the Northeast corner thereof;
thence South $00^{\circ}02'10''$ East, 917.66 feet along the East line of that tract of land as described on said Film 534 as Reception No. 783316 to the TRUE POINT OF BEGINNING.

TRACT "G"

A part of the Southwest $\frac{1}{4}$ of Section 34, Township 1 North, Range 70 West of the 6th P.M. described as follows:

Commencing at the Southwest corner of said section 34;
thence North $00^{\circ}02'10''$ West along the West line of said section , a distance of 1108.89 feet to the TRUE POINT OF BEGINNING;
thence South $89^{\circ}55'12''$ East 262.40 feet;
thence North $00^{\circ}05'06''$ West 70 feet;
thence North $89^{\circ}55'14''$ West, 262.34 feet;
thence South $00^{\circ}02'10''$ East, 70.00 feet to the TRUE POINT OF BEGINNING,
County of Boulder, State of Colorado.

ORDINANCE NO. 4138

AN ORDINANCE ANNEXING TO THE CITY OF BOULDER CERTAIN TERRITORY SITUATED IN SECTION 34, T. 1 N., R. 70 W. OF THE 6TH P.M.; ZONING AND INCLUDING THE SAID TERRITORY IN LR-D, LOW DENSITY RESIDENTIAL-DEVELOPING, AS PROVIDED IN CHAPTER 37, "LAND USE REGULATIONS," OF THE REVISED CODE OF THE CITY OF BOULDER, 1965, AS AMENDED; AMENDING THE ZONING DISTRICT MAP, FORMING A PART OF SAID CHAPTER 37 TO INCLUDE THE SAID TERRITORY IN THE ZONING DISTRICT HEREINABOVE MENTIONED; GRANTING A PLANNED UNIT DEVELOPMENT FOR THE SAID TERRITORY; AND, SETTING FORTH DETAILS IN RELATION THERETO.

WHEREAS, the City Council of the City of Boulder, Colorado, finds:

THAT Meadows Club, Inc., Meadow Glen Associates and others have filed with the City Clerk of the City of Boulder a petition for annexation to the City of Boulder of certain territory located in Section 34, T. 1 N., R. 70 W. of the 6th P.M., County of Boulder, State of Colorado, hereinafter more particularly described, and that the City Clerk referred the said petition to the City Council as a communication;

THAT the said petition is signed by one hundred percent of the owners of the property proposed to be annexed, exclusive of streets and alleys, and the said property is not embraced within any city, city and county, or incorporated town, and that the said property abuts upon, and is contiguous to, the City of Boulder by at least one-sixth of its perimeter;

THAT a community of interest exists between the property proposed for annexation and the City of Boulder, the said property is urban or will be urbanized in the near future, and the said property is capable of being integrated into the City of Boulder;

THAT in establishing the boundaries of the subject

FILM 945

property, no land in identical ownership, whether consisting of one tract or parcel of real estate or two or more contiguous tracts or parcels of real estate, has been divided into separate tracts or parcels without the written consent of the landowner or landowners thereof;

THAT in establishing the boundaries of the subject property, no land held in identical ownership, whether consisting of one tract or parcel of real estate, or two or more contiguous tracts or parcels of real estate comprising twenty acres or more, which, together with the buildings and improvements situated thereon has an assessed value in excess of \$200,000 for ad valorem tax purposes for the year next preceding the filing of the petition hereinabove referred to, has been included in the subject property without the written consent of the landowner or landowners thereof;

THAT the subject property does not include any area included in another annexation proceeding involving a city other than the City of Boulder;

THAT the subject property does not include any area which is the same or substantially the same area in which an election for an annexation to the City of Boulder was held within twelve months preceding the filing of the above petition;

THAT the Planning Board has duly submitted to the Council an advisory report and recommendation regarding the annexation, zoning and granting of a Planned Unit Development of the subject property;

THAT the Planning Board duly proposed that the Zoning District Map as adopted by the City Council be amended to zone and include the subject property in the LR-D, Low Density Residential-Developing, district, as provided in Chapter 37, "Land

Use Regulations," of the Revised Code of the City of Boulder, 1965, as amended, and that the Planned Unit Development applied for be granted subject to certain conditions;

THAT a public hearing on the proposed zoning and Planned Unit Development of the property to be annexed hereby was duly held before the City Council on the 7th day of September, 1976;

THAT the zoning of the subject property by the within ordinance is consistent with the Boulder Valley Comprehensive Plan, and that the Planned Unit Development, with the conditions approved by the Planning Board, complies with the relevant provisions of the Land Use Regulations;

THAT the within zoning and granting of the Planned Unit Development with the conditions approved by the Planning Board for said property bears a substantial relation to and will enhance the general welfare of the residents within the said property and of the residents of the City of Boulder;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BOULDER, COLORADO, THAT:

Section 1. The territory described on Exhibit "A" hereto, and situated in the County of Boulder, State of Colorado, as shown on the map accompanying the petition for annexation be, and the same hereby is, annexed to and included within the corporate boundaries of the City of Boulder.

Section 2. Chapter 37, "Land Use Regulations," of the Revised Code of the City of Boulder, 1965, as amended, and the Zoning District Map forming a part thereof be, and the same hereby are, amended to zone and include the property described in Section 1 hereof from its present zoning to LR-D, Low Density Residential-Developing, as provided in said Chapter 37.

Section 3. The applications for Planned Unit Developments

for the property described in Exhibit "A," as approved and with the conditions recommended by the Planning Board, are hereby granted.

Section 4. Such part only of said Chapter 37 as is in conflict herewith be, and the same hereby is, superseded.

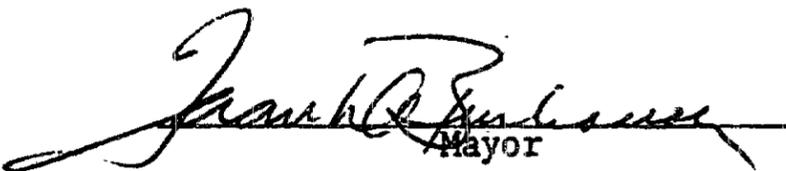
Section 5. The annexation and zoning of the above-described property is necessary for the protection of the public health, safety and welfare.

Section 6. The City Council deems it appropriate that this ordinance be published by title only and directs the City Clerk to make available in his office copies of the text of the within ordinance for public inspection and acquisition.

INTRODUCED, READ, AND ORDERED PUBLISHED BY TITLE ONLY
this 8th day of September, A.D. 1976.

Attest:

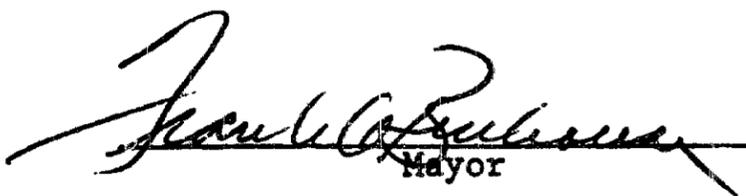
Acting Director of Finance
and Record
Ex-officio City Clerk


Mayor

READ ON SECOND READING, PASSED, ADOPTED, AND ORDERED PUBLISHED BY TITLE ONLY this 5th day of October, A.D. 1976.

Attest:

Acting Director of Finance
and Record
Ex-officio City Clerk


Mayor

Tract "A"

Legal description of a tract of land in the Southwest quarter of Section 34, Township 1 North, Range 70 West of the 6th P.M.

Commencing at the Southwest corner of Section 34, Township 1 North, Range 70 West of the 6th P.M.;

thence South $89^{\circ}55'00''$ East, 1038.62 feet along the South line of said Section 34 to the Southwest corner of that tract of land described by deed recorded in Book 1182 at Page 59 of the Boulder County, Colorado Records;

thence North $89^{\circ}55'00''$ West, 185.00 feet along the South line of said Section 34 to the True Point of Beginning;

thence North $00^{\circ}14'50''$ West, 235.00 feet parallel with the East line of the West half of the Southwest quarter of said Section 34;

thence South $89^{\circ}55'00''$ East, 185.00 feet parallel with the South line of said Section 34 to a point on the West line of said tract of land described in Book 1182 at Page 59;

thence North $00^{\circ}14'50''$ West, 2416.23 feet parallel with the East line of the Southwest quarter of said Section 34 to the Northwest corner of that tract of land described by deed recorded in Book 1182 at Page 57 of the Boulder County Colorado Records;

thence North $89^{\circ}56'15''$ West, 372.06 feet along the North line of the Southwest quarter of said section 34 to the Northeast corner of the West half of the West half of the Southwest quarter of said Section 34;

thence South $00^{\circ}08'30''$ East, 671.00 feet along the East line of the West half of the West half of the Southwest quarter of said Section 34 to a point on the North line of that tract of land described on Film 812 as Reception No. 060131 of the Boulder County, Colorado Records;

thence South $89^{\circ}55'00''$ East, 1.93 feet to the Northeast corner of said tract described as Reception No. 060131;

thence South $00^{\circ}02'10''$ East 917.66 feet to the Southeast corner of said tract described as Reception No. 060131;

thence North $89^{\circ}55'00''$ West, 3.74 feet along the Southerly line of said tract described as Reception No. 060131;

thence Northwesterly 192.39 feet along the Southerly line of said tract described as Reception No. 060131 and along the arc of a curve to the right having a radius of 216.00 feet to a point of reverse curve; on said southerly line;

thence Northwesterly 252.98 feet along the Southerly line of said tract described as Reception No. 060131 and along the arc of a curve to the left having a radius of 284.00 feet to a point tangent on said Southerly line;

thence North $89^{\circ}55'15''$ West 3.87 feet to the Southwest corner of said tract described as Reception No. 060131;

thence South $00^{\circ}02'10''$ East, 521.91 feet parallel with the West line of said Section 34 to a point on a line 726.00 feet North of and Parallel with the South line of said Section 34;

thence South $89^{\circ}55'00''$ East, 396.37 feet parallel with the South line of said Section 34 to a point on the West line of the East half of the West half of the Southwest quarter of said Section 34;

thence South $00^{\circ}08'30''$ East, 726.00 feet along the West line of the East half of the West half of the Southwest quarter of said Section 34 to the Southwest corner of the East half of the West half of the Southwest quarter of said Section 34;

thence South $89^{\circ}55'00''$ East, 191.92 feet along the South line of said Section 34 to the True Point of Beginning.

County of Boulder,
State of Colorado.

Commencing at the Southwest Corner of Section 34, Township 1 North, Range 70 West of the 6th P.M.;

thence South $89^{\circ}55'00''$ East, 660.00 feet along the South line of said section 34;

thence North $00^{\circ}02'10''$ West, 726.00 feet parallel with the West line of said section 34 to THE TRUE POINT OF BEGINNING;

thence North $00^{\circ}02'10''$ West, 336.34 feet parallel with the West line of said section 34 to the Southeast corner of that tract of land conveyed to Meadows Club, Inc. by deed recorded on Film 812 as Reception No. 060131 of the Boulder County, Colorado records;

thence North $89^{\circ}55'00''$ West, 3.74 feet along the Southerly line of said tract described as Reception No. 060131 to a point of curve to the right on said Southerly line;

thence Northwesterly 192.39 feet along the arc of said curve to the right, said arc having a radius of 216.00 feet, to a point of reverse curve on said Southerly line;

thence Northwesterly 252.98 feet along the arc of said reverse curve, said reverse curve having a radius of 284.00 feet, to a point tangent on said Southerly line;

thence North $89^{\circ}55'15''$ West, 3.87 feet along said Southerly line to the Southwest corner of said tract described as Reception No. 060131;

thence South $00^{\circ}02'10''$ East 521.91 feet parallel with the West line of said section 34 to a point which bears North $89^{\circ}55'00''$ West parallel with the South line of said section 34 from THE TRUE POINT OF BEGINNING;

thence South $89^{\circ}55'00''$ East, 396.00 feet parallel with the South line of said section 34 to THE TRUE POINT OF BEGINNING.

Commencing at the Southwest corner of Section 34, Township 1 North, Range 70 West of the 6th P.M.;

thence South $89^{\circ}55'00''$ East 660.00 feet along the South line of said section 34;

thence North $00^{\circ}02'10''$ West, 726.00 feet parallel with the West line of said section 34 to THE TRUE POINT OF BEGINNING;

thence North $00^{\circ}02'10''$ West, 201.34 feet parallel with the West line of said section 34 to a point on the West line of the East half of the West half of the Southwest Quarter of said section 34;

thence South $00^{\circ}08'30''$ East, 201.34 feet along the West line of the East half of the West half of the Southwest quarter of said section 34 to a point which bears South $89^{\circ}55'00''$ East from THE TRUE POINT OF BEGINNING;

thence North $89^{\circ}55'00''$ West, 0.37 feet to THE TRUE POINT OF BEGINNING.

County of Boulder,
State of Colorado.

TRACT "D"

That portion of the Southwest quarter of Section 34, Township 1 North, Range 70 West of the 6th P.M., describes as follows:

Beginning at the Southwest corner of said section 34;

thence North $00^{\circ}02'10''$ West along the West line of said section 34 a distance of 1308.89 feet to the TRUE POINT OF BEGINNING;

thence South $89^{\circ}55'16''$ East, 262.22 feet;

thence North $00^{\circ}05'06''$ West, 17.32 feet to the North line of the Southwest Quarter of the Southwest Quarter of said section 34;

thence South $89^{\circ}55'17''$ East, 1.64 feet along said North line;

thence North $00^{\circ}05'06''$ West, 52.68 feet;

thence North $89^{\circ}55'18''$ West, 263.79 feet to a point on the West line of said section 34;

thence South along said West line 70.00 feet to THE TRUE POINT OF BEGINNING.

TRACT "E"

A tract of land in Section 34, Township 1 North, Range 70 West of the 6th P.M., described as follows:

Commencing at the Southwest corner of said Section 34;
thence North $00^{\circ}02'10''$ West along the West line of said Section 34, a distance of 1248.89 feet to THE TRUE POINT OF BEGINNING;
thence South $89^{\circ}55'16''$ East, 262.27 feet;
thence North $00^{\circ}05'06''$ West, 60.00 feet;
thence South $89^{\circ}55'16''$ East, 262.22 feet to a point on the West line of said section 34;
thence South along said West line of said Section 34, a distance of 60.00 feet to the TRUE POINT OF BEGINNING.

TRACT "F"

A tract of land situated in the West $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 34, Township 1 North, Range 70 West of the 6th P.M., described as follows:

Commencing at the Southwest corner of said Section 34 from which the West $\frac{1}{4}$ corner of said section 34 bears North $00^{\circ}02'10''$ West;
thence South $89^{\circ}55'$ East, 660.00 feet along the South line of said section 34 to the Southeast corner of that tract of land conveyed to C. Warren Slater and Jane R. Slater as described in Warranty Deed recorded on Film 534 as Reception No. 783316 of the records of Boulder County, Colorado;
thence North $00^{\circ}02'10''$ West 1062.34 feet along the East line of that tract of land as described on said Film 534 as Reception No. 783316 to the TRUE POINT OF BEGINNING;
thence North $89^{\circ}55'$ West, 3.74 feet to a point of curve to the right;
thence Northwesterly 192.39 feet along the arc of said curve to a point of reverse curve, said arc having a radius of 216.00 feet, a delta angle of $51^{\circ}02'00''$ and being subtended by a chord that bears North $64^{\circ}24'00''$ West, 186.09 feet;
thence Northwesterly 252.98 feet along the arc of said reverse curve to a point tangent, said arc having a radius of 284.00 feet, a delta angle of $51^{\circ}02'15''$ and being subtended by a chord that bears North $64^{\circ}24'08''$ West, 244.70 feet;
thence North $89^{\circ}55'15''$ West, 3.87 feet;
thence North $00^{\circ}02'10''$ West, 731.09 feet along the West line of that tract of land as described on said Film 534 as Reception No. 783316 to the Northwest corner thereof;
thence South $89^{\circ}55'$ East, 396.00 feet along the North line of that tract of land as described on said Film 534 as Reception No. 783316 to the Northeast corner thereof;
thence South $00^{\circ}02'10''$ East, 917.66 feet along the East line of that tract of land as described on said Film 534 as Reception No. 783316 to the TRUE POINT OF BEGINNING.

TRACT "G"

A part of the Southwest $\frac{1}{4}$ of Section 34, Township 1 North, Range 70 West of the 6th P.M. described as follows:

Commencing at the Southwest corner of said section 34;
thence North $00^{\circ}02'10''$ West along the West line of said section, a distance of 1108.89 feet to the TRUE POINT OF BEGINNING;
thence South $89^{\circ}55'12''$ East 262.40 feet;
thence North $00^{\circ}05'06''$ West 70 feet;
thence North $89^{\circ}55'14''$ West, 262.34 feet;
thence South $00^{\circ}02'10''$ East, 70.00 feet to the TRUE POINT OF BEGINNING,
County of Boulder, State of Colorado.

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Flatirons Bank
 1095 Canyon Blvd Suite 100
 Boulder, CO B0302

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME
Meadows Club, Inc.

OR

1b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

1c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY
P.O. Box 4542 Boulder CO 80306 USA

1d. SEE INSTRUCTIONS ADD'L INFO RE ORGANIZATION DEBTOR 1e. TYPE OF ORGANIZATION Corporation 1f. JURISDICTION OF ORGANIZATION CO 1g. ORGANIZATIONAL ID #, if any 19871527936 NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

2c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

2d. SEE INSTRUCTIONS ADD'L INFO RE ORGANIZATION DEBTOR 2e. TYPE OF ORGANIZATION 2f. JURISDICTION OF ORGANIZATION 2g. ORGANIZATIONAL ID #, if any NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME
Flatirons Bank

OR

3b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

3c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY
1095 Canyon Blvd Suite 100 Boulder CO 80302 USA

4. This FINANCING STATEMENT covers the following collateral:
 See attached Exhibit 'B'; whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing.

5. ALTERNATIVE DESIGNATION [if applicable]: LESSEE/LESSOR CONSIGNEE/CONSIGNOR BAILEE/BAILOR SELLER/BUYER AG LIEN NON-UCC FILING

6. This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable) 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (optional) [ADDITIONAL FEE] All Debtors Debtor 1 Debtor 2

8. OPTIONAL FILER REFERENCE DATA
 19000671 238076ET

EXHIBIT B
To UCC-1 Financing Statement

All rights, title and interest which Debtor now has or may hereafter acquire in and to the premises described below ("Realty") and in and to:

1. All improvements, tenements, easements, hereditaments and appurtenances thereunto belonging.
2. The land lying within any street or roadway adjoining the Realty; and all right, title and interest of Debtor in any vacated or hereafter vacated street or alley adjoining the Realty; and all right, title and interest, if any, of Debtor in and to any strips and gores adjoining the Realty.
3. All and singular the passages, waters, water rights, water courses, riparian rights, other rights, liberties and privileges thereof or in any way now or hereafter appertaining to the Realty, including homestead and any other claim at law or in equity, as well as any after-acquired title, franchise or license, and the reversion and reversions and remainder and remainders thereof.
4. All right, title and interest of Debtor in and to any and all contracts and subcontracts for the construction and supplying and furnishing of material and equipment for use on the Realty.
5. All rents, issues, proceeds and profits accruing and to accrue from said Realty.
6. All plans and specifications for the improvements, or any thereof; all contracts and subcontracts relating to the improvements, or any thereof, all deposits (including forfeited tenant's security deposits), funds, accounts, contract rights, instruments, documents, general intangibles (including trademarks, service marks, trade name and symbols used in connection therewith), contracts of sale relating to any of the property described herein (consent to same not granted or to be implied hereby), and notes or chattel paper arising from the sale, exchange or transfer (provided any such transaction is consented to by Lender as required by this Deed of Trust) of any of the property described herein; all permits, licenses, franchises, certificates, and other rights and privileges obtained in connection with any of the property described herein; all proceeds arising from or by virtue of the sale, lease or other disposition of all or any part of the Realty (consent to same not granted or to be implied hereby).
7. All proceeds or sums payable in lieu of or as compensation for the loss of or damage to (a) any property described herein, or (b) the Realty described herein and all rights in and to all pertinent present and future fire and/or hazard insurance policies insuring said Realty; all awards made by any public body or decreed by any Court of competent jurisdiction for a taking or for degradation of value in any eminent domain proceeding of the Realty described herein or any part thereof.
8. All buildings, structures and improvements of every kind and description now or hereafter erected or placed thereon and all materials intended for construction, reconstruction, alteration and repairs of such improvements now or hereafter erected thereon including, but not limited to, lumber, plaster, cement, shingles, roofing, plumbing, fixtures, pipe, lath, wallboard, cabinets, nails, sinks, toilets, furnaces, heaters, brick, tile, water heaters, screens, window frames, glass, doors, flooring, paint, lighting fixtures, and unattached refrigerating, cooking, heating and ventilation appliances and equipment, all of which materials shall be deemed to be included within the said Realty immediately upon the delivery thereof to the said Realty.

9. All machinery, apparatus, equipment, fittings, fixtures and articles of personal property now or hereafter owned by Debtor and attached to or contained in and used in connection with any present or future operation of said Realty, including, but not limited to, all furniture, gas ranges, mechanical refrigerators, swimming pool equipment, recreational equipment, awnings, shades, screens, equipment and other furnishings and all plumbing, heating, air conditioning, lighting, cooking, laundry, ventilating, refrigerating, incinerating, and sprinkling equipment and fixtures and appurtenances thereto; and all renewals or replacements thereof or articles in substitution therefore, whether or not the same are or shall be attached to said building or buildings in any manner.

The Realty is legally described as follows:
SEE ATTACHED EXHIBIT 'A'

Known as:
900 55TH Street, Boulder, Co 80303

EXHIBIT "A"**Parcel I:**

A tract of land situated in the W1/2 of the SW1/4 of Section 34, Township 1 North, Range 70 West of the 6th P.M., described as follows:

Commencing at the Southwest corner of said Section 34 from which the W1/4 corner of said Section 34 bears North 0°02'10" West; thence South 89°55' East, 660.00 feet along the South line of said Section 34 to the Southeast corner of that tract of land conveyed to C. Warren Slater and Jane R. Slater as described in Warranty Deed recorded on Film 534 at Reception No. 783316 of the records of Boulder County, Colorado; thence North 00°02'10" West 1062.34 feet along the East line of that tract of land as described on said Film 534 at Reception No. 783316 to the True Point of Beginning; thence North 89°55' West, 3.74 feet to a point of curve to the right; thence Northwesterly 192.39 feet along the arc of said curve to a point of reverse curve, said arc having a radius of 216.00 feet, a delta angle of 51°02'00" and being subtended by a chord that bears North 64°24'00" West 186.09 feet; thence Northwesterly 252.98 feet along the arc of said reverse curve to a point tangent, said arc having a radius of 284.00 feet, a delta angle of 51°02'15" and being subtended by a chord that bears North 64°24'08" West 244.70 feet; thence North 89°55'15" West 3.87 feet; thence North 0°02'10" West, 731.09 feet along the West line of that tract of land as described on said Film 534 at Reception No. 783316 to the Northwest corner thereof; thence South 89°55' East, 396.00 feet along the North line of that tract of land as described on said Film 534 at Reception No. 783316 to the Northeast corner thereof; thence South 0°02'10" East 917.66 feet along the East line of that tract of land as described on said Film 534 at Reception No. 783316 to the True Point of Beginning; County of Boulder, State of Colorado.

Parcel II:

Parcel A: All that portion of Outlot "D", "Meadow Glen", according to the recorded plat thereof, described as follows:

Beginning at the most Easterly corner of Outlot "D", "Meadow Glen", according to the recorded plat thereof, thence Westerly 143.51 feet along the Southerly line of said Outlot "D" and along the arc of a curve to the right having a radius of 108.81 feet and the chord of which arc bears North 76°40'02" West, 133.33 feet to a point tangent; thence North 38°53'00" West, 73.00 feet; thence Northwesterly 41.28 feet along the arc of a curve to the right having a radius of 97.00 feet and the chord of which arc bears North 26°41'26" West, 40.97 feet to a point on the Northerly line of said Outlot "D"; thence Southeasterly, 63.58 feet along the Northerly line of said Outlot "D" and along the arc of a curve to the right having a radius of 284.00 feet to a Point of Reverse Curve on said Northerly line of Outlot "D" thence Southeasterly, 173.41 feet along the Northerly line of said Outlot "D" and along the arc of a curve to the left having a radius of 216.00 feet to the Point of Beginning. County of Boulder, State of Colorado.

Parcel B: All that portion of the West half of the Southwest quarter of Section 34, Township 1 North, Range 70 West of the 6th P.M., described as follows:

Commencing at the Southeast corner of that tract of land conveyed to Meadows Club, Inc. by instrument recorded as Reception No. 060131 of the Boulder County, Colorado Records; thence North 0°02'10" West, 13.59 feet along the East line of said tract described as Reception No. 060131 to the True Point of Beginning;

thence North 0°02'10" West, 131.41 feet along the East line of said tract described as Reception No. 060131;
thence South 15°00'00" East, 73.58 feet; thence Southerly, 66.76 feet along the arc of a curve to the right having a
radius of 58.95 feet to the True Point of Beginning.

County of Boulder, State of Colorado.

Parcel C: All that portion of the West half of the Southwest quarter of Section 34, Township 1 North, Range 70
West of the 6th P.M., described as follows:

Commencing at the Southeast corner of that tract of land conveyed to Meadows Club, Inc. by instrument
recorded as Reception No. 060131 of the Boulder County, Colorado Records;

thence North 0°02'10" West, 259.61 feet along the East line of said tract described as Reception No. 060131 to the
True Point of Beginning;

thence North 0°02'10" West, 658.04 feet along the East line of said tract described as Reception No. 060131 to the
Northeast corner thereof; thence South 89°55'00" East, 10.00 feet; thence South 0°02'10" East, 601.52 feet
parallel with the East line of said tract described as Reception No. 060131; thence South 10°00'00" West, 57.38
feet to the True Point of Beginning.

County of Boulder, State of Colorado.

RECORDATION REQUESTED BY:

Flatirons Bank
1095 Canyon Blvd Suite 100
Boulder, CO 80302

WHEN RECORDED MAIL TO:

Flatirons Bank
1095 Canyon Blvd Suite 100
Boulder, CO 80302

DISBURSER'S NOTICE

The information contained on this Disburser's Notice is filed under Colo. Rev. Stat. Section 38-22-126(2).

THIS DISBURSER'S NOTICE IS DATED MARCH 29, 2010.

BORROWER: The "Borrower" is Meadows Club, Inc., whose address is P.O. Box 4542, Boulder, CO 80306.

LENDER: The "Lender" is Flatirons Bank, whose address is 1095 Canyon Blvd Suite 100, Boulder, CO 80302, whose telephone number is (303) 530-4999.

OWNER (IF DIFFERENT FROM BORROWER):

PRINCIPAL (GENERAL) CONTRACTOR(S):

Principal Contractor: #1: Wyatt Construction Company Inc

Address: 3223 Arapahoe Road, Suite 100

Boulder, CO 80303

Telephone Number: (303) 449-1255

LEGAL DESCRIPTION OF PROPERTY:

Exhibit 'A'

PROPERTY ADDRESS:

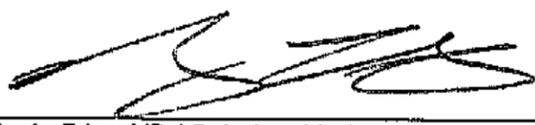
Real Property located at 900 55th Street, Boulder, CO 80303

CLRS # 23807LET

**DISBURSER'S NOTICE
(Continued)**

LENDER:

FLATIRONS BANK

X 

Andy Fritz, VP / Relationship Manager

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**thence North 0°02'10" West, 131.41 feet along the East line of said tract described as Reception No. 060131;
thence South 15°00'00" East, 73.58 feet; thence Southerly, 66.76 feet along the arc of a curve to the right having a
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County of Boulder, State of Colorado.

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True Point of Beginning;**

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parallel with the East line of said tract described as Reception No. 060131; thence South 10°00'00" West, 57.38
feet to the True Point of Beginning.**

County of Boulder, State of Colorado.

RECORDATION REQUESTED BY:

Flatirons Bank
1095 Canyon Blvd Suite 100
Boulder, CO 80302

WHEN RECORDED MAIL TO:

Flatirons Bank
1095 Canyon Blvd Suite 100
Boulder, CO 80302

FOR RECORDER'S USE ONLY

CONSTRUCTION DEED OF TRUST

MAXIMUM PRINCIPAL AMOUNT SECURED. The Lien of this Deed of Trust shall not exceed at any one time \$2,250,000.00 except as allowed under applicable Colorado law.

THIS DEED OF TRUST is dated March 29, 2010, among Meadows Club, Inc., whose address is P.O. Box 4542, Boulder, CO 80306 ("Grantor"); Flatirons Bank, whose address is 1095 Canyon Blvd Suite 100, Boulder, CO 80302 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and the Public Trustee of Boulder County, Colorado (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor hereby irrevocably grants, transfers and assigns to Trustee for the benefit of Lender as Beneficiary all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Boulder County, State of Colorado:

See Exhibit 'A', which is attached to this Deed of Trust and made a part of this Deed of Trust as if fully set forth herein.

The Real Property or its address is commonly known as 900 55th Street, Boulder, CO 80303.

Grantor presently assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS ALSO GIVEN TO SECURE ANY AND ALL OF GRANTOR'S OBLIGATIONS UNDER THAT CERTAIN CONSTRUCTION LOAN AGREEMENT BETWEEN GRANTOR AND LENDER OF EVEN DATE HERewith. ANY EVENT OF DEFAULT UNDER THE CONSTRUCTION LOAN AGREEMENT, OR ANY OF THE RELATED DOCUMENTS REFERRED TO THEREIN, SHALL ALSO BE AN EVENT OF DEFAULT UNDER THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Grantor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Grantor's obligations under the Note, this Deed of Trust, and the Related Documents.

CONSTRUCTION MORTGAGE. This Deed of Trust is a "construction mortgage" for the purposes of Sections 9-334 and 2A-309 of the Uniform Commercial Code, as those sections have been adopted by the State of Colorado.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or

CITS # 236076ET

**DEED OF TRUST
(Continued)**

Page 2

reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

Construction Loan. If some or all of the proceeds of the loan creating the Indebtedness are to be used to construct or complete construction of any Improvements on the Property, the Improvements shall be completed no later than the maturity date of the Note (or such earlier date as Lender may reasonably establish) and Grantor shall pay in full all costs and expenses in connection with the work. Lender will disburse loan proceeds under such terms and conditions as Lender may deem reasonably necessary to insure that the interest created by this Deed of Trust shall have priority over all possible liens, including those of material suppliers and workmen. Lender may require, among other things, that disbursement requests be supported by receipted bills, expense affidavits, waivers of liens, construction progress reports, and such other documentation as Lender may reasonably request.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Colorado law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges

**DEED OF TRUST
(Continued)**

Page 3

(including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to

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become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's Indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the Indebtedness secured by this Deed of Trust; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the Indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a

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place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Deed of Trust, and the Related Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. Upon the full performance of all the obligations under the Note and this Deed of Trust, Trustee may, upon production of documents and fees as required under applicable law, release this Deed of Trust, and such release shall constitute a release of the lien for all such additional sums and expenditures made pursuant to this Deed of Trust. Lender agrees to cooperate with Grantor in obtaining such release and releasing the other collateral securing the Indebtedness. Any release fees required by law shall be paid by Grantor, if permitted by applicable law.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

Payment Default. Grantor fails to make any payment when due under the Indebtedness.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

Default on Other Payments. Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Default in Favor of Third Parties. Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's ability to repay the Indebtedness or Grantor's ability to perform Grantor's obligations under this Deed of Trust or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Insolvency. The dissolution or termination of Grantor's existence as a going business, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

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Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

Foreclosure. Lender shall have the right to cause all or any part of the Real Property, and Personal Property, if Lender decides to proceed against it as if it were real property, to be sold by the Trustee according to the laws of the State of Colorado as respects foreclosures against real property. The Trustee shall give notice in accordance with the laws of Colorado. The Trustee shall apply the proceeds of the sale in the following order: (a) to all costs and expenses of the sale, including but not limited to Trustee's fees, attorneys' fees, and the cost of title evidence; (b) to all sums secured by this Deed of Trust; and (c) the excess, if any, to the person or persons legally entitled to the excess.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Grantor to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver. Receiver may be appointed by a court of competent jurisdiction upon ex parte application and without notice, notice being expressly waived.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or available at law or in equity.

Sale of the Property. In exercising its rights and remedies, Lender shall be free to designate on or before it files a notice of election and demand with the Trustee, that the Trustee sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property. Upon any sale of the Property, whether made under a power of sale granted in this Deed of Trust or pursuant to judicial proceedings, if the holder of the Note is a purchaser at such sale, it shall be entitled to use and apply all, or any portion of, the Indebtedness for or in settlement or payment of all, or any portion of, the purchase price of the Property purchased, and, in such case, this Deed of Trust, the Note, and any documents evidencing expenditures secured by this Deed of Trust shall be presented to the person conducting the sale in order that the amount of Indebtedness so used or applied may be credited thereon as having been paid.

Attorneys' Fees; Expenses. If Lender forecloses or institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the

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cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

Rights of Trustee. To the extent permitted by applicable law, Trustee shall have all of the rights and duties of Lender as set forth in this section.

NOTICES. Any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Colorado without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of Colorado.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this Deed of Trust.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waive Jury. All parties to this Deed of Trust hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Colorado as to all Indebtedness secured by this Deed of Trust.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless

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(Continued)**

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specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

Beneficiary. The word "Beneficiary" means Flatirons Bank, and its successors and assigns.

Borrower. The word "Borrower" means Meadows Club, Inc. and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

Default. The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

Grantor. The word "Grantor" means Meadows Club, Inc..

Guaranty. The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust.

Lender. The word "Lender" means Flatirons Bank, its successors and assigns.

Note. The word "Note" means the promissory note dated March 29, 2010, **in the original principal amount of \$2,250,000.00** from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The maturity date of the Note is March 29, 2015.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

Trustee. The word "Trustee" means the Public Trustee of Boulder County, Colorado.

DEED OF TRUST
(Continued)

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

MEADOWS CLUB, INC.

By: [Signature]
Doug Peterman, President of Meadows Club, Inc.

By: [Signature]
Ann Goldfarb, Treasurer of Meadows Club, Inc.

CORPORATE ACKNOWLEDGMENT

STATE OF Colorado)
) SS
COUNTY OF Boulder)

On this 29th day of March, 20 10, before me, the undersigned Notary Public, personally appeared Doug Peterman, President of Meadows Club, Inc. and Ann Goldfarb, Treasurer of Meadows Club, Inc., and known to me to be authorized agents of the corporation that executed the Deed of Trust and acknowledged the Deed of Trust to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Deed of Trust and in fact executed the Deed of Trust on behalf of the corporation.

By [Signature]
Notary Public in and for the State of Colorado

Residing at 9585 Altira St. Aurora, Colorado
My commission expires 3-30-2013

MAUREEN R. MACMACKIN
STATE OF COLORADO
My Commission Expires: Mar 30, 2013

EXHIBIT "A"**Parcel I:**

A tract of land situated in the W1/2 of the SW1/4 of Section 34, Township 1 North, Range 70 West of the 6th P.M., described as follows:

Commencing at the Southwest corner of said Section 34 from which the W1/4 corner of said Section 34 bears North 0°02'10" West; thence South 89°55' East, 660.00 feet along the South line of said Section 34 to the Southeast corner of that tract of land conveyed to C. Warren Slater and Jane R. Slater as described in Warranty Deed recorded on Film 534 at Reception No. 783316 of the records of Boulder County, Colorado; thence North 00°02'10" West 1062.34 feet along the East line of that tract of land as described on said Film 534 at Reception No. 783316 to the True Point of Beginning; thence North 89°55' West, 3.74 feet to a point of curve to the right; thence Northwesterly 192.39 feet along the arc of said curve to a point of reverse curve, said arc having a radius of 216.00 feet, a delta angle of 51°02'00" and being subtended by a chord that bears North 64°24'00" West 186.09 feet; thence Northwesterly 252.98 feet along the arc of said reverse curve to a point tangent, said arc having a radius of 284.00 feet, a delta angle of 51°02'15" and being subtended by a chord that bears North 64°24'08" West 244.70 feet; thence North 89°55'15" West 3.87 feet; thence North 0°02'10" West, 731.09 feet along the West line of that tract of land as described on said Film 534 at Reception No. 783316 to the Northwest corner thereof; thence South 89°55' East, 396.00 feet along the North line of that tract of land as described on said Film 534 at Reception No. 783316 to the Northeast corner thereof; thence South 0°02'10" East 917.66 feet along the East line of that tract of land as described on said Film 534 at Reception No. 783316 to the True Point of Beginning;
County of Boulder, State of Colorado.

Parcel II:

Parcel A: All that portion of Outlot "D", "Meadow Glen", according to the recorded plat thereof, described as follows:

Beginning at the most Easterly corner of Outlot "D", "Meadow Glen", according to the recorded plat thereof, thence Westerly 143.51 feet along the Southerly line of said Outlot "D" and along the arc of a curve to the right having a radius of 108.81 feet and the chord of which arc bears North 76°40'02" West, 133.33 feet to a point tangent; thence North 38°53'00" West, 73.00 feet; thence Northwesterly 41.28 feet along the arc of a curve to the right having a radius of 97.00 feet and the chord of which arc bears North 26°41'26" West, 40.97 feet to a point on the Northerly line of said Outlot "D"; thence Southeasterly, 63.58 feet along the Northerly line of said Outlot "D" and along the arc of a curve to the right having a radius of 284.00 feet to a Point of Reverse Curve on said Northerly line of Outlot "D" thence Southeasterly, 173.41 feet along the Northerly line of said Outlot "D" and along the arc of a curve to the left having a radius of 216.00 feet to the Point of Beginning.
County of Boulder, State of Colorado.

Parcel B: All that portion of the West half of the Southwest quarter of Section 34, Township 1 North, Range 70 West of the 6th P.M., described as follows:

Commencing at the Southeast corner of that tract of land conveyed to Meadows Club, Inc. by instrument recorded as Reception No. 060131 of the Boulder County, Colorado Records; thence North 0°02'10" West, 13.59 feet along the East line of said tract described as Reception No. 060131 to the True Point of Beginning;

thence North 0°02'10" West, 131.41 feet along the East line of said tract described as Reception No. 060131; thence South 15°00'00" East, 73.58 feet; thence Southerly, 66.76 feet along the arc of a curve to the right having a radius of 58.95 feet to the True Point of Beginning.

County of Boulder, State of Colorado.

Parcel C: All that portion of the West half of the Southwest quarter of Section 34, Township 1 North, Range 70 West of the 6th P.M., described as follows:

Commencing at the Southeast corner of that tract of land conveyed to Meadows Club, Inc. by instrument recorded as Reception No. 060131 of the Boulder County, Colorado Records;

thence North 0°02'10" West, 259.61 feet along the East line of said tract described as Reception No. 060131 to the True Point of Beginning;

thence North 0°02'10" West, 658.04 feet along the East line of said tract described as Reception No. 060131 to the Northeast corner thereof; thence South 89°55'00" East, 10.00 feet; thence South 0°02'10" East, 601.52 feet parallel with the East line of said tract described as Reception No. 060131; thence South 10°00'00" West, 57.38 feet to the True Point of Beginning.

County of Boulder, State of Colorado.