

PAID: \$11.00 304953

304953 05/01/1996 11:25A B: 561 P: 132
Gay Cappie, County Clerk, San Miguel County, CO

State Documentary Fee

Date MAY 1, 1996

\$ EXEMPT

RJG

BARGAIN AND SALE DEED

KNOW ALL MEN BY THESE PRESENTS, That The Thurlestone Limited Liability Company of the County of San Miguel, State of Colorado, Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, in hand paid, the receipt and sufficiency of which is hereby acknowledged, hereby sells and conveys, but without warranty of title, unto Bantham, LLC whose legal address is P.O. Box 2639, Telluride, Colorado 81435, Grantee, the following property, situate in the County of San Miguel and State of Colorado, and described as follows:

Beginning at the southwest corner of Lot 13, Block 19, West Telluride Addition to the Town of Telluride, said corner being the same as the southwest corner of the Tomboy Lodge P.U.D.; Thence S 17°54'00" W 8.50 feet to the True Point of Beginning; Thence S 72°06'00" E 85.00 feet; Thence S 17°54'00" W 21.50 feet to the north boundary of Block 20, West Telluride Addition to the Town of Telluride; Thence N 72°06'00" W 85.00 feet along the north boundary of said Block 20; Thence N 17°54'00" E 21.50 feet to the True Point of Beginning, County of San Miguel, State of Colorado, together with all improvements located thereon (the "Property");

The Property shall be used and restricted to use for parking as may be constructed thereon for the use and enjoyment of the owners of the Property, or others to whom parking rights are granted or assigned. The Property shall not be used for any purposes, other than as parking, or access thereto, without the prior written consent of the Town of Telluride.

The singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

Signed and delivered this 21st day of March, 1996.

IN WITNESS WHEREOF, THURLESTONE has executed this Bargain and Sale Deed the day and year first above written.

THURLESTONE LIMITED LIABILITY COMPANY,
a Colorado limited liability company

Michael E. Gardner 3-21-96
By: Michael E. Gardner, Manager

The foregoing was acknowledged before me this 21st day of March, by Michael E. Gardner, manager of Thurlestone Limited Liability Company, a Colorado limited liability company.

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

WITNESS my hand and official seal.

My commission expires: 11/03/98

Kerry A. Welch
Notary Public

PAID: \$21.00 **304955****304955 05/01/1996 11:25A B: 561 P: 135**
Gay Cappie, County Clerk, San Miguel County, CO**NOTICE REGARDING
SAN JUAN VILLAGE**

SUBJECTS: Bylaws, Rules and Regulations of the Association and Design Review Committee Members of San Juan Village.

PURPOSE: To provide notice of the Bylaws of San Juan Village Owners Association, Inc., a Colorado nonprofit corporation, existing under the Colorado Nonprofit Corporation Act; to provide notice of the Rules and Regulations of the Association and the Community; to provide notice of the current members of the Design Review Committee of San Juan Village; and, through this notice, to promote the recreation, health, safety and welfare of the residents of the properties subject to the Declaration.

AUTHORITY: The recorded Declaration of Covenants, Conditions and Restrictions of San Juan Village as recorded in the records of the Clerk and Recorder of San Miguel County, Colorado, and Colorado law.

PROPERTIES AFFECTED: All those lots, properties or units within the County of San Miguel, State of Colorado, as made subject to the recorded Declaration of San Juan Village.

EFFECTIVE DATE: March 21, 1996.

NOTICE: **Bylaws and Rules and Regulations.** The Association hereby gives notice that, from time to time, it adopts Bylaws and Rules and Regulations governing the Community known as San Juan Village. Copies of the current Bylaws and Rules and Regulations may be obtained from the Association's agent for management.

Association Agent. The Association's agent for management of the properties subject to the Declaration may be contacted at the Community or through the registered agent and office of the Association, as maintained by the Association at the office of the Colorado Secretary of State.

Design Review Committee. The Declarant also hereby gives notice that as of the date hereof, by reserved right of the Declarant, the members of the Design Review Committee for San Juan Village are as follows:

Michael Gardner
619 W. Columbia Avenue, Bldg. D
P.O. Box 2639
Telluride, Colorado 81435

Steve Schein
619 W. Columbia Avenue, Bldg. D
P.O. Box 2639
Telluride, Colorado 81435

Steve Kuehn

619 W. Columbia Avenue, Bldg. D
P.O. Box 2639
Telluride, Colorado 81435

Supplemental to Law. The provisions of this Notice shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Community.

PRESIDENT'S AND SECRETARY'S CERTIFICATION:

The undersigned, respectively being the President and the Secretary of San Juan Village Owners Association, Inc., certify that the foregoing Notice was approved and adopted by the Board of Directors of the Association at a duly called and held meeting on March ____, 1996, and in witness thereof, the undersigned have subscribed their names.

SAN JUAN VILLAGE OWNERS ASSOCIATION,
INC., a Colorado nonprofit corporation

By: Michael E. Gardner
Michael Gardner, President

ATTEST:

Steve Kuchn
Steve Kuchn, Secretary

**DECLARANT'S
CERTIFICATION:**

The undersigned Declarant certifies that the foregoing Notice was approved and adopted by Bantham, LLC, the "Declarant."

BANTHAM, LLC,
a Colorado limited liability company

By:

Michael E. Gardner
Manager and Authorized Agent

STATE OF COLORADO)

) ss.

COUNTY OF SAN MIGUEL)

The foregoing instrument was acknowledged before me this 21st day of March, 1996, by Michael E. Gardner, as Manager and Authorized Agent of Bantham, LLC, a Colorado limited liability company.

Witness my hand and official seal.

My commission expires:

11/03/98

Kerry A. Welch
Notary Public

STATE OF COLORADO)

) ss.

COUNTY OF San Miguel)

The foregoing was acknowledged before me this 21st day of March, 1996, by Steve Kuehn, as Secretary of San Juan Village Owners Association, Inc., a Colorado nonprofit corporation.

Witness my hand and official seal.

My commission expires:

11/03/98

Kerry A. Welch
Notary Public

304955
B: 561 P: 138

STATE OF COLORADO)
COUNTY OF SAN MIGUEL) ss.

The foregoing was acknowledged before me this 21st day of March, 1996, by Michael Gardner, as President of San Juan Village Owners Association, Inc., a Colorado nonprofit corporation.

Witness my hand and official seal.

My commission expires: 11/03/98

 Larry A. Welch
Notary Public

Document 6

PAID: \$136.00 304958

304958 05/01/1996 11:25A B: 561 P: 182
Gay Cappis, County Clerk, San Miguel County, CO

DEVELOPMENT AGREEMENT

FOR SAN JUAN VILLAGE

THIS DEVELOPMENT AGREEMENT FOR SAN JUAN VILLAGE is entered into by and between the Town of Telluride, a home-rule municipality and political subdivision of the State of Colorado (hereinafter the "Town"), and Bantham, LLC, a Colorado limited liability corporation (hereinafter the "Owner").

I. R E C I T A L S

1.1. Bantham, LLC is the owner of certain real property described on Exhibit WD-SCH-1, which exhibit is attached hereto and incorporated herein by this reference, which property is generally known as Lots 1 through 16, 21 through 40 inclusive, Block 20, West Telluride Addition. Said properties are hereinafter collectively referred to as the "Property".

1.2. Prior to approvals referenced herein, the Property consisted of thirty-six (36) platted lots located in the Accommodations Two Zone District, of which twenty-six lots are fully buildable. The Property encompasses approximately 81,202 square feet.

1.3. On January 24, 1995 Owner submitted to the Town applications for approval of a large scale planned unit development plan ("P.U.D."), and for approval of a large scale subdivision of said Property, pursuant to Divisions 3 and 4 of Article 6 of the Telluride Land Use Code ("LUC"), which P.U.D. and Subdivision is to be known as "San Juan Village P.U.D./Subdivision". As part of said applications and in consideration of the R-1 School District athletic field expansion and the Town of Telluride's desire to eliminate a dangerous intersection and to have the North Tomboy alignment consistent with the Town grid, Owner petitioned for the vacation of public right-of-way along Columbia Avenue and Taylor Street from the intersection with Colorado Avenue to a point west of the intersection with the proposed Tomboy Street.

1.4 At a public hearing on February 9, 1995 preceded by publication of public notice in the Telluride Times Journal and mailing of public notice to property owners within one hundred fifty feet (150') of the Property in accordance with the Town's requirements, and following review and recommendation of the Telluride Historical and Architectural Review Commission ("H.A.R.C."), the Telluride Planning & Zoning Commission granted conceptual approval of the San Juan Village P.U.D. sketch plan, subject to various conditions.

1.5 At a public hearing on February 23, 1995, preceded by public notice in the Telluride Times Journal and mailing of public notice to property owners within one hundred fifty feet (150') of the Property in accordance with the Town's requirements, the Telluride Planning & Zoning Commission granted preliminary approval of the San Juan Village P.U.D. / Subdivision plat and recommended Town Council approve the proposed rights-of-way vacation as part of the San Juan Village P.U.D./Subdivision, subject to various conditions as more fully set forth below.

1.6 Owner has submitted revisions and modifications to the San Juan Village P.U.D. / Subdivision plat and has agreed to enter into this Development Agreement in order to document and satisfy the above-referenced conditions.

1.7 On June 6, 1995 the Telluride Town Council finally approved on second reading Ordinance No. 1028 , Series 1995, by which the Town (a) accepted the Owner's offer of land dedications; (b) vacated the Western portion of Columbia Avenue conditioned upon Owner's promise to reconvey a portion of said vacated right-of-way to the Telluride R-1 School District, (c) vacated Taylor Street along the Western boundary of the Property and agreed to convey the resulting portion included in proposed Lot 7 to the Owner, (d) approved the relocation of the Town's water line , and (e) authorized exchange of bargain and sale deeds to confirm the location of the northern boundary of the Colorado Avenue right-of-way along Block 20.

1.8 On February 20, 1996 the Telluride Town Council approved an extension of the vesting period for San Juan Village.

1.9 Owner has now met all requirements for final approval of the San Juan Village P.U.D./Subdivision and has addressed all conditions of such approval as part of this Development Agreement.

1.10 By this final approval and subsequent development of the San Juan Village, the public will be benefited by the Telluride R-1 School District's acquisition of land necessary for additional soccer and playing fields; by the construction at Owner's cost of a bicycle path along Colorado Avenue; by the construction at Owner's cost of public park improvements along Cornet Creek and within Lot OS-1; by the concentration of all prospective tourist-related commercial uses along the southern portion of the Property along Colorado Avenue so as to improve public accessibility; by the careful modification of setback, height, and other dimensional limitations so as to enhance the appearance of the development in the neighborhood while respecting historical design guidelines; and by the dedication and construction of North Tomboy Street, which will not only mitigate impacts of Columbia Avenue vacation, but also enhance traffic circulation in the neighborhood.

I I. C O N S I D E R A T I O N

The consideration for this Development Agreement is the Town's final approval of Owner's San Juan Village P.U.D./Subdivision upon all the terms and conditions as contained herein, the obligations and expenditures of development undertaken by Owner, and the mutual obligations and promises set forth below.

I I I. A G R E E M E N T

THE PARTIES AGREE AS FOLLOWS:

3.1. RECITALS AND CONSIDERATIONS INCORPORATED. The Recitals and Considerations set forth above are incorporated herein as essential terms of this Agreement.

3.2. P.U.D. / SUBDIVISION PLAT. Owner has caused preparation by the firm Foley & Associates, Inc. of the final San Juan Village P.U.D. / Subdivision Plat, dated MAY 1, 1996 (hereinafter the "Plat" or "P.U.D./Subdivision Plat"); said Plat is filed of record in the office of the San Miguel County Clerk and Recorder at Plat Book 1 Pages 2043 through 2045 and is incorporated herein by this reference. Said Plat is identical in substance to the Preliminary Subdivision and P.U.D. Sketch Plan approval granted with conditions by the Telluride Planning and Zoning Commission, and the amendment to approval by the Telluride Planning and Zoning Commission on October 19, 1995, with the exception of the amendment/modification referenced in paragraph 3.9 below. Said Plat also refers to this Agreement.

3.3. PUBLIC IMPROVEMENTS.

A. On or before the dates specifically stated in the SUBDIVISION IMPROVEMENTS AGREEMENT (hereinafter referred to as the "SIA"), a copy of which is attached hereto as Exhibit SIA and incorporated herein by this reference, Owner agrees to construct or install, at Owner's sole cost and expense, the public improvements more particularly described in the SIA. The public improvements will be constructed in accordance with Town's design standards and specifications unless otherwise stated in the SIA. Owner will comply with the provisions contained in the SIA relating to such construction.

B. In the event that the Town desires to temporarily open North Tomboy Street to vehicular traffic prior to completion and acceptance of the utility and road improvements therein, so as to facilitate construction activities by the Telluride R-1 School District within the portions of Columbia Avenue and Taylor Street to be vacated pursuant to paragraph 3.9, below, Town and Owner

agree to cooperate with each other and the District for such purposes. Any such opening may be conditioned upon agreement by all such parties as to the District's and Owner's construction schedules, duration of temporary opening, and agreement to permit continuation of traffic at appropriate times over the vacated rights-of-way until completion and acceptance of the North Tomboy Street. In the event of such opening, Owner's indemnity provided for in paragraph 5.7 below and paragraph 11 of the SIA shall not apply to the North Tomboy Street dedication area during the period of such opening.

3.4. DEDICATIONS TO TOWN. Owner shall dedicate to Town for public and municipal purposes such parcels, easements, and rights of way as are specifically identified on or dedicated by the Plat and upon the terms, conditions, and subject to the reservations as stated in Exhibit DED, which exhibit is attached hereto and incorporated herein by this reference. Owner shall have a temporary construction license to occupy such dedicated areas until completion and acceptance of the public improvements provided for herein.

3.5 AFFORDABLE HOUSING

Owner's Commitment. Owner acknowledges that new development or redevelopment of any lot or lots within the San Juan Village P.U.D. / Subdivision shall be subject to the provisions of Telluride Land Use Code Division 7, Affordable Housing Requirements, in effect as of April 13, 1995. During the vesting period, the lots within the San Juan Village P.U.D. shall not be subject to modifications or amendments to the Affordable Housing Requirements, however, at the time a lot owner in the San Juan P.U.D. files a development application, such Owner shall have the right, in such owner's sole discretion, to give the Town written notice that they agree to be bound by any subsequent modifications or amendments to the Affordable Housing Requirements for that lot. Owner also acknowledges that such provisions may result, by way of example only, in obligations for the Owner or its successor(s) to create affordable housing through methods including on-site construction, and that the amount of such construction could range between approximately 2,171 to 9,131 square feet for the entire subdivision, depending upon the amount and types of uses which result from such development. The specific affordable housing requirements shall be determined and applied to each individual lot or lots for which new development or redevelopment is subsequently approved, and such requirements shall not be applied or transferred to any other lot or lots within the subdivision which is not included within any such development application without the written consent of the owner(s) of such lot or lots and the approval of the Town of Telluride and the Telluride Housing Authority. In the event that an owner of a lot within the San Juan P.U.D. satisfies its affordable housing requirement on a separate lot within the San Juan P.U.D., the construction of such affordable housing shall be considered to be on

site mitigation for purposes of section 3-790 of the Telluride Land Use Code if such satisfaction is approved by the Town of Telluride and the Telluride Housing Authority.

3.6 WATER UTILITY EASEMENT. The Town is the grantee of a Deed of Easement ten feet (10') in width along a described centerline for a water line, as recorded in Book 427, Pages 694, 696. The Town hereby agrees that said easement shall be terminated and abandoned as provided by paragraph 3.8(b) below. Owner agrees to construct a new water flow line extending southerly along North Tomboy Street, pursuant to the provisions of Exhibit SIA.

3.7 COLORADO AVENUE RIGHT OF WAY CONFIRMATION. On November 7, 1994 the Town received a quitclaim deed to State Highway 145 (right-of-way known as Colorado Avenue) right-of-way from the State of Colorado. Said deed was recorded at Book 537 Page 612, in the office of the San Miguel County Clerk and Recorder. The exact location of the northern boundary of the Colorado Avenue right-of-way along Block 20, West Telluride Addition, as described in said deed, is uncertain. The Town and Owner desire to finally confirm the location of such boundary as shown on the Plat. Accordingly, upon execution of this Agreement the Town agrees to execute, deliver to Owner and record, prior to recordation of this Agreement, a bargain and sale deed to the Property, excepting and reserving the Town's easements, dedications and rights-of-ways as shown on the Plat as provided in paragraph 3.8 (B) below. The Owner, in turn, agrees to simultaneously execute, deliver to Town and record immediately following recordation of the Development Agreement and Plat, a bargain and sale deed to the Colorado Avenue right-of-way as shown on the Plat, as provided in paragraph 3.8(C) below.

3.8 CONVEYANCES

A. To the School District by Owner. The Owner shall, immediately prior to the recordation of this Development Agreement, cause to be executed, delivered to the Telluride R-1 School District, and recorded a "Bargain and Sale Deed" conveying all of Owner's interest and any after-acquired title to the vacated portion of the Columbia Avenue right-of-way located west of Lot P and North of the Taylor Avenue right-of-way, as more fully shown and described on the Vacation Map included in the Plat.

B. To Owner by Town.

(1) Immediately after the recordation of this Development Agreement, the Town shall cause to be executed, delivered to Bantham, LLC, and recorded a bargain and sale deed to Lot 7 as shown on the Plat, for the purpose of conveying to Bantham, LLC the Town's interest, as abutting landowner, in the Town's portion of the vacated Taylor Street right-of-way; and

(2) Immediately prior to recordation of this Development Agreement, the Town shall cause to be executed, delivered to Bantham, LLC a bargain and sale deed conveying to Bantham, LLC the existing waterline easement referred to in paragraph 3.6 above.

(3) Town shall execute, deliver to Owner, and record a bargain and sale deed to the Colorado Avenue right-of-way north of the boundary of the Property as shown by the Plat along Block 20.

C. To Town by Owner. Immediately after recordation of this Development Agreement Owner shall execute, deliver to Town, and record a bargain and sale deed to the Colorado Avenue right-of-way south of the boundary of the Property as shown by the Plat along Block 20, and a bargain and sale deed to Lot OS, subject to the reservations described in Exhibit DED.

D. General. Owner shall pay all costs of recording such deeds and shall promptly deliver to Town copies of all instruments referenced herein bearing recording and filing information.

3.9 MODIFICATION OF RIGHT-OF-WAY VACATION. In lieu of its request for right-of-way encroachment Owner has submitted a proposed amendment to the right-of-way vacation petition to include an 85 foot by 60 foot area north of Lots 11 and 12 within the proposed Columbia Avenue right-of-way vacation, and consequently within the San Juan Village P.U.D./Subdivision. A portion of the northern portion of such right-of-way vacation is subject to a conveyance to Owner by Thurstlestone LLC, which limits the use of right of way to parking purposes. Such petition amendment was included within the Columbia Avenue right-of-way vacation petition considered and approved by the Town Council. Such amendment does not substantially vary any building locations, dimensional limitations, basic intent, character, uses or restrictions of the San Juan Village P.U.D./Subdivision, and is hereby approved as a minor modification to the P.U.D. as preliminarily approved.

3.10 USES.

A. Zoning. The present zoning classification for the Property is the "Accommodations Two Zone District" as described in Telluride LUC Section 3-210, together with the "Historic Preservation Overlay District" as described in Division 1 of Article 7 of the LUC, effective date October 6, 1994. The Property is located in the Entry, Accommodations, and River Park Corridor Treatment Areas established in Design Guidelines for Building in Telluride, March 1995 edition.

B. Permitted Uses. The uses permitted by right for specific lots within the San Juan Village P.U.D. / Subdivision shall be all those uses permitted by right or on review pursuant to the

Accommodations Two Zone District (LUC Section 3-210.), and which are designated as a "use by right" on Exhibit USE, which exhibit is attached hereto and incorporated herein by this reference, or any subsequent amendment of such Exhibit USE, except that:

(1) all tourist-related commercial uses which do not exceed 15% of the allowable principal structural floor area and which may otherwise occur on any lot in the San Juan Village shall be transferred to, and shall occur only on, the first floor and/or basements of primary structures on, Lots 3, 4, 5, 6 or any combination thereof. The total resulting amount of such uses shall not exceed 7,820 square feet. At the time of sale or construction on any such lot, whichever is earlier, the Owner shall specifically designate by recorded instrument what portion of said commercial square footage, if any, is transferred to such lot, a copy of which will be provided to the Town Planning Director;

(2) one-family or two-family dwelling units shall be considered a use by right on Lots 7, 16 and 17.

C. Parking. Owner may construct up to fourteen (14) off-street parking spaces in the vacated portion of Columbia Avenue shown as lot P and the parking easement north of Lot P on the Plat. Such parking shall be available for and restricted to the sole and exclusive use of Owner and its specifically designated successors and assigns. Parking design shall not prevent access to the property to the North. Parking design shall be approved by HARC as part of their approval of the Project landscaping plan. At the time of sale of or construction on any lot, whichever is earlier, the Owner may designate whether and what portion of such parking spaces are allocated to the specific, exclusive use of any such lot. In the event that the Owner allocates a parking space to a specific lot, Owner shall designate the assignment by a recorded instrument and shall provide a copy of such recorded instrument to the Town Planning Director. The parking requirements of the Town in effect as of December 1, 1995 shall be complied with during the project's vesting period, unless the Town parking requirements have been decreased, and in that event, the applicant shall comply with the parking requirements in effect at the time of approval of a Certificate of Appropriateness. Credit for such requirements shall be given by the Town based upon such recorded designation as if such parking were constructed on the lot to which the credit is allocated.

D. Setbacks. The minimum setbacks for the San Juan Village P.U.D./Subdivision shall be as follows:

FRONT YARD:

five feet (5') - generally, or less if allowed by
H.A.R.C.

as per final plat - Lots 1A - 4 inclusive, or less if

allowed by H.A.R.C.

eight feet (8') - Lot 5

twenty feet (20') - Lots 8 and 9

The south portion of Lots 7 - 12 inclusive shall be considered front yard for purposes of front yard setback and treatment area guideline compliance.

SIDE YARD:

three feet (3') - generally

ten feet (10') - Lot 7, western boundary only, inclusive of eight foot easement

ten feet (10') along Cornet Creek, from top of bank - Lots 1A and 17

five feet (5') - Lots 10, 11 and 12

ten feet (10') - only on the side yard adjacent to Tomboy Street. HARC may modify the setback up to a five foot setback - Lots 5, 6, 12 and 13

REAR YARD:

five feet (5') - Lots 1A-6 inclusive, and Lots 13-17 inclusive

ten feet (10') - Lots 7-12 inclusive, overlapping eight foot (8') easement

E. Site Coverage. Fifty percent (50%) site coverage shall be the maximum site coverage permitted for all lots, irrespective of use intensity or existence of covered parking, with the exception of Lot 6, which shall have 57% site coverage.

F. Number of Dwelling/Accommodations Units. The minimum and maximum number of dwelling units and accommodations units with kitchens shall be as shown on the San Juan Village Use Summary Table.

G. Building Height, Roof Pitch and Ridge Line. The, minimum roof pitch, and maximum ridge line length for all structures shall be as prescribed or defined in Telluride LUC Sections 3-210.C. 13, and 14, January 1996 version. The definition of height set forth in Telluride LUC Section 2-144 January 1996 Version, shall be used to determine maximum building height.

H. Use Summary Table. The San Juan Village Use Summary Table is attached hereto as Exhibit USE and is incorporated herein

for reference purposes. In the event of any conflict or inconsistency between such Table and this Agreement, this Agreement shall control.

3.11 SIMULTANEOUS EFFECT. As a condition of final approval the Town has required that the Owner: (a) agree to convey to the Telluride R-1 School District Owner's interest in the vacated portion of Columbia Avenue other than Lot P as shown on the Plat, (b) receive from the Tomboy Lodge Condominium Association a permanent lease or easement for parking shown along the northern portion of the vacated Columbia Avenue right-of-way pursuant to paragraph 3.9 above, (c) include the land for parking spaces located in the vacated Columbia Avenue right-of-way west of Tomboy Street within the P.U.D. boundaries, and (d) install and dedicate to the Town North Tomboy Street. The Town, in turn, has agreed to convey to Owner that portion of the vacated Taylor Street right-of-way inclusive of proposed Lot 7. In lieu of requiring an interim resubdivision plat or plats to be first executed and recorded which incorporates Owner's portion of the vacated rights-of-way into Owner's Property, and then subdivides such vacated portion for further conveyance to the School District or from the Town, and then further replatting the Property so as to exclude the property conveyed to the School District and to include the Property to be conveyed by Town to Owner, the Town and Owner hereby agree that no such prior resubdivision shall be required, and that the Plat shall be deemed to be the final depiction of the San Juan Village P.U.D./Subdivision configuration following the completion of all right-of-way vacations and/or conveyances required or contemplated by this Agreement.

3.12 COVENANTS.

A. Owner, acting as Declarant, has caused to be adopted and recorded in the records of San Miguel County at Book ___, Pages ___, certain covenants entitled "Declaration Of Covenants, Conditions And Restrictions Of San Juan Village" regulating construction and use of improvements on the Property. Such Covenants provide for (a) maintenance of the alley improvements (including surface repair and winter snow removal), and (b) the maintenance of landscaping on Lot OS-1 and any subsequently created open space, and the pedestrian trail easement within the San Juan Village P.U.D./Subdivision. These covenants shall be enforced by an incorporated association, membership in which shall exist by virtue of ownership of any portion of the Property. Nothing herein shall be construed to prevent the Owner or its successors, including the association or its members, from modifying or terminating said covenants, or to require approval by the Town of any such modification or termination, provided that if the alley maintenance or open space landscaping provisions of the Covenants are proposed to be modified or terminated, then reasonable provision shall be made for continuation of such maintenance in a manner acceptable to

the Town Manager.

B. Nothing in this Development Agreement shall require the consent of the Association, or of any subsequent owners of lots within the San Juan Village P.U.D./Subdivision, to amend the Development Agreement, including any exhibits thereto, or the Plat, except as may be specifically required by the Covenants.

3.13 TOWN APPROVAL. Subject to the conditions herein stated and as contained in the exhibits attached hereto, Town does hereby approve this Development Agreement, the Subdivision Plat, the Use Summary Table (Exhibit USE), the SIA (Exhibit SIA), and the Dedications and Conveyances to Town (Exhibit DED). These instruments shall be identified upon and incorporated by reference in the final plat. These instruments collectively constitute the final San Juan Village P.U.D. / Subdivision, which is hereby approved by the Town, and shall be recorded and run with the property included within the San Juan Village P.U.D. / Subdivision. A set of recorded copies shall be provided to the Town at Owner's expense.

I V. V E S T E D R I G H T S

4.1 SITE SPECIFIC DEVELOPMENT PLAN. The San Juan Village P.U.D./Subdivision Plat and this Development Agreement constitute a "site specific development plan" pursuant to the Telluride LUC Section 2-203.

4.2 VESTED REAL PROPERTY RIGHT. Accordingly, the final approval of the San Juan Village P.U.D./Subdivision by the Town has created for Owner's benefit a "vested real property right" defined by the Telluride LUC Section 5-208 as "the right to undertake and complete an approved development and use the property under the terms and conditions of a site specific development plan".

4.3 DURATION. For purposes of this Agreement, the above-referenced vested real property right shall remain vested for four years after the date of execution of this Development Agreement, so long as Owner executes this Development Agreement by March 21, 1996 and Owner completes the public improvements required by the SIA, on or before the dates stated in the SIA or as extended, up to two months, if agreed to in writing by the Town Manager. Town shall promptly cause to be published such notices as are required by LUC Section 5-208.H.

4.4 PUBLICATION. A notation of such vested real property right shall be made on the San Juan Village P.U.D./Subdivision Plat.

4.5 RELIANCE. The Owner has relied upon the creation of such vested real property right in entering into this Development

Agreement.

4.6 FUTURE LEGISLATION. During the four year period in which the vested real property right shall remain vested, the Town shall not impose by legislation or otherwise any zoning or land use requirement or obligation, upon the Owner of the Property or their successors or assigns which would alter, impair, or diminish the development or uses of the Property as set forth in this Development Agreement, except:

1. With the consent of the applicant; or
2. Upon the discovery of natural or man-made hazards on or in the immediate vicinity of the property, which could not reasonably have been discovered at the time of vested rights approval, and which, if not corrected, would pose a serious threat to the public health, safety and welfare; or
3. To the extent that compensation is paid, as provided in Title 24, Article 68, C.R.S.

The establishment of such vested real property right shall not preclude the application of ordinances or regulations which are general in nature and applicable to all property subject to land use regulation by the Town, including, but not limited to, fee assessments and building, fire, plumbing, electrical, mechanical, water and sewer codes.

V. MISCELLANEOUS

5.1 REMEDIES - BREACH OR DEFAULT.

In the event Owner, or its successor in interest, should fail to perform or adhere to its obligations as set forth herein, or fail to meet specified performance timelines, the Town shall have the following remedies against the Owner, or its successors and assigns, which remedies are cumulative and non-exclusive:

- A. Specific performance;
- B. Injunctive relief, both mandatory and/or prohibitory;
- C. Withdrawal or cancellation of development approval;
- D. Injunction prohibiting the transfer or sale of any lot created under the subdivision approval;
- E. Denial, withholding, or cancellation of any building permit, certificate of occupancy, certificate of appropriateness, or

any other authorization granted under Titles 15 or 18 of the Telluride Municipal Code authorizing or implementing the development of the San Juan Village PUD/Subdivision.

5.2 ATTORNEY'S FEES. In the event of any action, proceeding or litigation between the Town and the Owner concerning this Agreement, the prevailing party shall be entitled to collect its reasonable legal fees and costs, including the reasonable value of salaried attorney's time. Any litigation to enforce the terms of this Agreement shall be commenced in San Miguel County, Colorado and venue shall be restricted to such county.

5.3 BINDING EFFECT. This Agreement shall extend to, inure to the benefit of, and be binding upon the Town and its successors and assigns and, except as otherwise provided herein, upon the Owner, its successors (including subsequent owners of the Property, or any part thereof), legal representatives and assigns. This Agreement shall constitute an agreement running with the property until: (a) modified or released by mutual agreement of the Town and the Owner (subsequent transferee owners' consent to modification(s) or release(s) shall not be required unless the modification(s) directly limit or restrict the zoning or development rights awarded to a subsequent transferee owner's specific lot); or (b) otherwise amended or terminated, in accordance with the P.U.D./Subdivision Plat amendment procedures contained in the Telluride Land Use Code, as it presently exists or as it may hereafter be amended.

5.4 AUTHORIZATION. The parties hereto warrant that they are fully authorized to execute this Agreement and have taken all actions necessary to obtain such authorization.

5.5 NOTICES. All notices and instruments required hereunder shall be deemed delivered to the parties five (5) calendar days after posting the same, postage prepaid, by certified mail, return receipt requested, and addressed as follows:

To the Town:

Town of Telluride
Attn: Town Manager
P.O. Box 397
Telluride, Colorado 81435

To the Owner:

Bantham, LLC
Attn: Michael Gardner
P.O. Box 2639
Telluride, Colorado 81435

5.6 SEVERABILITY. If any term or provision or Article of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision or

Article to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

5.7 INDEMNITY. Except as otherwise set forth herein or in the SIA, the Owner and its successors and assigns shall defend and hold the Town harmless from and against any and all claims, demands, liabilities, actions, costs, damages and attorney's fees that may arise out of or result directly or indirectly from the Owner's actions or omissions in connection with the Owner's performance under the SIA and the provisions of paragraphs 3.4 ("DEDICATIONS" to TOWN), and paragraph 3.8 ("Conveyances") of this Agreement.

IN WITNESS WHEREOF this Development Agreement is approved, covenanted, agreed to, and executed this 21st day of March, 1996.

TOWN OF TELLURIDE

By: [Signature]
 Attest: [Signature] Town Manager
[Signature] Town Clerk

Approved as to form: [Signature]

Sandra Stuller
 Town Attorney for the Town of Telluride

BANTHAM, LLC

By: [Signature]
 General Manager

State of Colorado)
) ss.
 County of San Miguel)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED BEFORE ME
 by Michael E. Gardner, Manager of Bantham, LLC on this 21st day of
 March, 1996.

Witness my hand and official seal.

commission expires: 11/03/98

[Signature]
 Notary

EXHIBIT LIST

WD-SCH-1	Property Description
SIA	Subdivision Improvements Agreement
DED	Dedications
USE	San Juan Village Use Summary Table

c:\bantham\docs\devagr.1

EXHIBIT WD-SCH-1

That portion of Lots 1 through 40, Block 20, West Telluride being more particularly described as follows:

BEGINNING at the Northeast corner of said Block 20; Thence South $17^{\circ}45'12''$ West along the Easterly line of said Block 20 a distance of 235.01 feet to a point on the Northerly right of way of Colorado State Highway No. 145; Thence along said Northerly right of way of Colorado State Highway No. 145 along the arc of a curve to the right whose radius is 905.00 feet and whose long chord bears North $57^{\circ}43'01''$ West a distance of 420.50 feet; Thence continuing along said Northerly right of way of Colorado State Highway No. 145 North $44^{\circ}17'00''$ West a distance of 105.24 feet to a point on the Westerly line of said Block 20; Thence North $17^{\circ}45'12''$ East along said Westerly line of said Block 20 a distance of 80.17 feet to the Northwest corner of said Block 20; Thence South $72^{\circ}14'08''$ East along the Northerly line of said Block 20 a distance of 500.00 feet to the POINT OF BEGINNING,

County of San Miguel, State of Colorado.

EXHIBIT DED
to
DEVELOPMENT AGREEMENT FOR
SAN JUAN VILLAGE

1. PEDESTRIAN TRAIL EASEMENT

A non-exclusive surface pedestrian trail easement eight feet (8') in width over and across the northernmost portion of Lots 7, 8, 9, 10, 11, and 12, and along the westernmost portion of Lot 7, San Juan Village P.U.D. / Subdivision, for the benefit of the public, the Town of Telluride, and the owners of property within the San Juan Village P.U.D./Subdivision. The easement is located within the setbacks for such lots as described in Exhibit USE.

2. NORTH TOMBOY STREET RIGHT-OF-WAY

A right-of-way fifty feet (50') in width for the benefit of the public, the Town of Telluride and utility providers extending southerly from the Columbia Avenue right-of-way a distance of approximately two hundred seven feet (207') to the Colorado Avenue right-of-way, as shown on the final Subdivision Plat for the San Juan Village P.U.D. / Subdivision.

3. ADDITIONAL ALLEY RIGHT-OF-WAY

A right-of-way twenty feet in width for the benefit of the public, the Town of Telluride, and utility providers extending east and west a distance of approximately 380 feet as shown on the final Subdivision Plat for the San Juan Village P.U.D. / Subdivision.

4. LOT OS (OPEN SPACE)

Lot OS, consisting of approximately 836.45 ft., according to the final Subdivision Plat for the San Juan Village P.U.D./Subdivision, for municipal park and open space purposes, reserving to the Owner a non-exclusive easement thereon for the sole purpose of installing, maintaining, repairing and replacing utilities, including but not limited to a underground utilities, a pull station and a sign identifying the Property, and subject to the requirement that Owner, or its successor owner's association shall maintain at their expense the landscaping and improvements constructed thereon. Owner additionally reserves from such dedication density appurtenant to Lot OS for the purpose of incorporating its square footage into the site coverage calculation for Lot 6.

E X H I B I T S I A

SUBDIVISION IMPROVEMENTS AGREEMENT
FOR THE SAN JUAN VILLAGE P.U.D. / SUBDIVISION
IN THE TOWN OF TELLURIDE

THIS SUBDIVISION IMPROVEMENTS AGREEMENT for San Juan Village P.U.D. / Subdivision in the Town of Telluride dated this 21 day of March, 1996 is entered into by and between the TOWN OF TELLURIDE a home rule municipality and political subdivision of the State of Colorado (hereinafter the "Town") and BANTHAM, LLC, a Colorado limited liability company (hereinafter the "Owner").

I. R E C I T A L S

WHEREAS, on February 23, 1995 the Telluride Planning and Zoning Commission granted conceptual approval of the San Juan Village planned unit development plan ("P.U.D.") and granted approval of the San Juan Village preliminary subdivision plat, after finding that construction of certain public improvements and dedication of certain lands by the Owner are reasonably necessary to serve the property to be subdivided, to mitigate impacts of the development made possible by the subdivision, to protect the public health, safety and welfare, and after finding that the subdivision application complies with Telluride Land Use Code ("LUC") § 6-405; and

WHEREAS, such approval by the Telluride Planning and Zoning Commission was expressly made subject to Owner's agreement to construct such public improvements as more fully set forth in this Subdivision Improvements Agreement; and

WHEREAS, on June 20, 1995 the Telluride Town Council approved the Owner's proposal for land dedication and rights-of-way vacation as set forth in the San Juan Village final Subdivision P.U.D. / Subdivision Plat; and

WHEREAS, the Town Planning Director and Planning and Zoning Chairperson have found that the proposed San Juan Village final subdivision plat substantially conforms to the preliminary plat as amended and approved by the Planning and Zoning Commission; and

WHEREAS, § 6-409 of the Telluride LUC requires the execution of a subdivision improvements agreement as part of execution of a final subdivision plat, and authorizes the Telluride Town Manager to review and approve the subdivision improvements agreement, and to accept certain collateral securing Owner's obligations to

construct required public improvements;

WHEREAS, the parties have entered into the Development Agreement for San Juan Village dated March 21, 1996 ("Development Agreement") which includes all terms and conditions of approval of the San Juan Village P.U.D. / Subdivision, and which authorizes and requires execution of this Subdivision Improvements Agreement as part of said Development Agreement; and

WHEREAS, the parties desire to enter into this Subdivision Improvements Agreement pursuant to said Development Agreement and Telluride LUC § 6-409 in order to comply with the terms and conditions of approval for the San Juan Village P.U.D. / Subdivision.

I I. C O N S I D E R A T I O N

The consideration for this Agreement is the Town's final approval of the San Juan Village P.U.D. / Subdivision to the Town of Telluride upon all the terms and conditions as contained in the Development Agreement, and the mutual obligations and promises set forth below.

I I I. A G R E E M E N T

The parties agree as follows:

1. Recitals and Consideration Incorporated. The Recitals and Consideration set forth above and the provisions of Paragraphs 3.3 and 3.4 of the Development Agreement are incorporated herein as essential terms of this Agreement.

2. Construction of Public Improvements. The Owner agrees to complete by October 31, 1996, at Owner's sole cost and expense, the construction and installation of the public improvements set forth below (hereinafter collectively referred to as the "Improvements");

a. ROADWAYS. The North Tomboy Street right-of-way shall be improved with a 38 foot (38') asphalt-paved drive surface with two one foot (1') curbs, and shall contain a five foot (5') width concrete sidewalk along the east and west boundaries.

b. ALLEYWAY. The east-west alley along the center of the Property shall be improved by Owner by installation of curb and gutter along the south side of the alley only, and with asphalt paving of the alley. Traffic control devices shall be installed in the alley along its north right-of-way boundary.

c. SIDEWALKS. Owner will construct a five foot (5')

width concrete sidewalk along the east and west borders of North Tomboy Street.

d. DRAINAGE. Storm water and snowmelt drainage shall be managed by curb and gutter within the North Tomboy Street right of way, along the south side of the east-west alley, and along the south side of Columbia Avenue to the east of North Tomboy Street. Catch basins, drain pans and culverts will be utilized to route drainage from North Tomboy Street south to Colorado Avenue right-of-way, west along the alley into the Colorado Avenue right-of-way, and west from the parking area.

e. UTILITIES. All water, sewer, telephone, natural gas, cable and electrical utility facilities shall be located underground. A fifteen inch (15") sanitary sewer main shall be installed by Owner within the alley and rights-of-way. An eight inch (8") water line shall be installed from Davis and Columbia Avenue, along North Tomboy Street, and along the Colorado Avenue right-of-way to loop the Town's existing off-site water lines. The Town's existing waterline within the subdivision shall be relocated for such purpose or abandoned.

f. FIRE HYDRANTS. Owner shall install two new fire hydrants and relocate an existing hydrant to locations depicted on the Landscaping, Public Improvements and Utilities Plan referred to below.

g. STREET LIGHT IMPROVEMENTS. Owner shall install four additional street lights along the Columbia Avenue and Colorado Avenue rights-of-ways.

h. OFF-SITE PARKING. Owner shall paint and sign up to twenty (20) parking spaces in Lot P and the parking easement area in the vacated right-of-way north of Lot P and provide landscaping along the eastern portion of the parking area as may be approved by H.A.R.C.

i. COLORADO AVENUE BICYCLE PATH. Owner shall construct, south of the Property, according to the Town's design, a twelve foot (12') wide bicycle/pedestrian path with associated landscaping in the Colorado Avenue right-of-way. The Town shall be responsible for all necessary permits and approvals for such construction. The distance between the edge of the Colorado Avenue pavement and the pavement of the bike path shall be nine feet, except as modified at the intersection with North Tomboy as shown on the landscaping plan, or unless increased at Owner's discretion.

j. CORNET CREEK PARK. Owner shall construct according to the Town's design a pedestrian path and foot bridge in the Davis Street right-of-way along the eastern portion of the Property, together with associated landscaping. The Town shall be responsible

for all necessary permits and approvals for such construction.

k. LOT OS. Owner shall construct and install landscaping improvements within Lot OS.

1. PEDESTRIAN TRAIL EASEMENT. Owner shall provide rough grade for the pedestrian trail within the dedicated pedestrian trail easement located along the northwest and western portions of the Property. Town shall construct at its expense the finished trail surface, which may include at Town's options a concrete sidewalk not to exceed five feet (5') in width. Owner shall thereafter cause the Owner's Association to maintain such trail and surface improvements.

The Improvements are more fully described on the Landscaping, Public Improvements, and Utilities Plan by Foley and Associates, Inc. dated March __, 1996, which plan is on file with the Town Engineer and is incorporated herein by this reference.

3. Owner's Cost. Attached hereto and incorporated herein by this reference is the "San Juan Village P.U.D. Public Improvements Cost Estimate", which estimate includes a ten percent (10%) contingency. The Owner agrees that the cost of said Improvements are estimates only, and if the actual cost of the materials or installation exceeds such estimate, the Owner shall nevertheless be responsible therefor.

4. Owner's Construction Obligation and Standards. The Owner shall timely construct and complete all required Improvements in accordance with the subdivision design criteria of LUC § 6-408 and the Design Standards and Construction Specifications for Town of Telluride, except as modified or otherwise provided herein, in compliance with the following:

a. The final plat documents referenced in Paragraph 2 above;

b. All laws and requirements of the United States, the State of Colorado, the Town of Telluride, the Telluride Fire Protection District, affected special districts and all their various agencies;

c. Such other designs, drawings, maps, specifications, reports, and other matters submitted by the Owner to and approved by any of the above-stated governmental entities.

5. Collateral. To secure and guarantee performance of its obligations as set forth herein, the Owner hereby provides Town with either cash collateral in the form of a certified check or an irrevocable letter of credit from a lending institution located in

the State of Colorado, and in a form satisfactory to the Town Manager in the amount of \$429,077.00. If cash is provided it shall be deposited with the Town at the time the first building permit is issued for the public improvements, in a separate interest bearing account with interest accruing to the benefit of the Owner.

6. Release of Collateral. The Owner may apply in writing to the Town Manager for a partial release or full release of posted collateral from time to time as the Improvements secured by the collateral are completed. Upon receipt of a request to release collateral, the Town Manager shall direct the Town Engineer to inspect such Improvements as have been completed. Such inspection, except with respect to landscaping, shall be completed within thirty (30) days, weather permitting, after applicant's request. If the Town Engineer determines from the inspection that the Improvements have been installed in a satisfactory manner consistent with the final plat and subdivision approval, such portion of the collateral corresponding to the percentage of the Improvements completed shall be released by the Town Manager. In no event shall the amount of collateral retained by the Town be reduced below that necessary to secure the full and timely completion of any Improvements not yet fully installed. Partial releases of collateral shall only be made in increments of not less than twenty percent (20%) of the total amount initially posted, except for the final release after the completion and acceptance of all required Improvements.

7. Use of Collateral By Town. If the Town Manager determines that reasonable grounds exist to believe that the Owner is failing or will fail to install the Improvements as required by this Agreement, the Town Manager shall notify the Owner that: (i) the Town intends to draw on the collateral for the purpose of completing the Improvements; (ii) the specific reasons therefor; and (iii) the Owner may request a hearing before the Town Council on the matter, such request to be made no less than fifteen (15) days from the date of the notice. Should a hearing not be requested within fifteen days, or should the Town Council conduct a hearing and thereafter determine that the Owner is failing or has failed to satisfactorily install the required Improvements, the Town may thereafter draw on the collateral as necessary to construct the Improvements. In such event the Town shall be entitled to recover such costs as are reasonable to administer the construction of the Improvements.

8. Preliminary Acceptance.

a. Upon completion of the Improvements or any other portion or phase thereof the Owner shall notify the Town Engineer and request inspection. The Town Engineer shall promptly inspect

all such Improvements and promptly notify the Owner in writing of nonacceptance or preliminary acceptance. If such Improvements are not acceptable, the reasons for nonacceptance shall be stated and corrective measures shall be outlined. The Owner shall thereafter undertake reasonable measures to correct the Improvements.

b. Upon preliminary acceptance of the Improvements or any other portion or phase thereof the Town shall, as applicable, assume responsibility for snow removal in Tomboy Street, but the Owner shall remain responsible for all other maintenance and repairs pending final acceptance. Upon application after preliminary acceptance of any such Improvements, the Town Manager may release up to eighty percent (80%) of the total collateral securing such Improvements.

c. The Town Engineer shall not be required to make inspections or accept the Improvements during any period when climatic conditions make thorough inspection impractical.

9. Final Acceptance and Release of Collateral.

a. Final acceptance of the Improvements or any other portion or phase thereof shall only be made by the Town Engineer.

b. Twelve (12) months following preliminary acceptance of any Improvements, the Town Engineer shall inspect all such Improvements for final acceptance, except that landscaping shall be inspected only in the month of July and only after the expiration of not less than twelve (12) months from the date of preliminary acceptance. If based on such inspection the Improvements are not acceptable to the Town Engineer, the reasons for nonacceptance shall be stated and corrective measures outlined. The Town Engineer shall not be required to make inspections during any period when climatic conditions make thorough inspections impractical.

c. Upon final inspection and approval by the Town Engineer the Town shall release all remaining collateral and assume normal maintenance responsibilities for all the Improvements, except that Owner and not the Town shall be obligated to maintain the east-west alley.

10. Remedies on Breach or Default.

In the event Owner, or its successor in interest, should fail to perform or adhere to its obligations as set forth herein, or fail to meet specified performance timelines, the Town shall have the following remedies against the Owner, or its successors and assigns, which remedies are cumulative and non-exclusive:

A. Specific performance;

- B. Injunctive relief, both mandatory and/or prohibitory;
- C. Withdrawal or cancellation of development approval;
- D. Injunction prohibiting the transfer or sale of any lot created under the subdivision approval;
- E. Denial, withholding, or cancellation of any building permit, certificate of occupancy, certificate of appropriateness, or any other authorization granted under Titles 15 or 18 of the Telluride Municipal Code authorizing or implementing the development of the San Juan Village PUD/Subdivision.

11. Indemnity. Except as otherwise set forth herein, the Owner shall defend and hold the Town harmless from and against any and all claims, demands, liabilities, actions, costs, damages, and attorney's fees that may arise out of or result directly or indirectly from the Owner's actions or omissions in connection with this Subdivision Improvements Agreement, including but not limited to Owner's improper design or construction of the Improvements required hereunder, or Owner's failure to construct or complete the same. After inspection and acceptance by the Town of the Improvements, and after expiration of any applicable warranty period, this agreement of indemnity shall expire and be of no further force or effect.

12. Attorney Fees. In the event of litigation or arbitration between the Town and the Owner concerning this Agreement, the prevailing party shall be entitled to recover its reasonable attorney fees and costs, including the reasonable value of salaried attorney's time, in addition to all other sums awarded in such litigation or arbitration. Any litigation to enforce the terms of this Agreement shall be commenced in San Miguel County, Colorado, and venue shall be restricted to such county.

13. Force Majeure. In the event that the Owner is delayed at any time in the completion of the Improvements by labor disputes, fire, unusual delay in deliveries, abnormal adverse weather conditions not reasonably anticipatable, unavoidable casualties, or acts of God which justify delay in commencement or completion of the Improvements, then upon notice thereof to the Town Manager, such date(s) shall be extended one time for a period reasonably necessary to commence and/or complete such Improvements, not to exceed one year.

14. Binding Effect. This Agreement shall extend to, inure the benefit of, and be binding upon the Town and its successors and assigns, and upon the Owner, its successor(s) (including subsequent owners of the Property, or any part thereof), legal

representatives, and assigns. This Agreement shall constitute an agreement running with the Property until completion of all conditions and performance of all covenants herein contained.

15. Authorization. The parties hereto warrant that they are fully authorized to execute this Agreement and have taken all actions necessary to obtain such authorization.

16. Notices. All notices required hereunder shall be deemed delivered to the parties five (5) calendar days after posting the same, postage prepaid, by certified mail, return receipt requested, and addressed as follows:

To the Town: Town of Telluride
Attn: Town Manager
P.O. Box 397
Telluride, Colorado 81435

To the Owner: Bantham, LLC
Attn: Michael Gardner
P.O. Box 2639
Telluride, Colorado 81435

IN WITNESS WHEREOF this Subdivision Improvements Agreement is approved, covenanted, agreed to, and executed this 21st day of 1996.

TOWN OF TELLURIDE

By: Margaret Allen

Attest: Mary Jo Killeen

Town Manager

Town Clerk

Approved as to form: Sandra Stuller

Sandra Stuller

Town Attorney for Town of Telluride

304958
B: 561 P: 207

BANTHAM, LLC

By: Michael E. Gardner
Michael Gardner, ManagerState of Colorado)
) ss.
County of San Miguel)SUBSCRIBED, SWORN TO AND ACKNOWLEDGED BEFORE ME by Michael Gardner, Manager of Bantham, LLC on this 21st day of March, 1996.

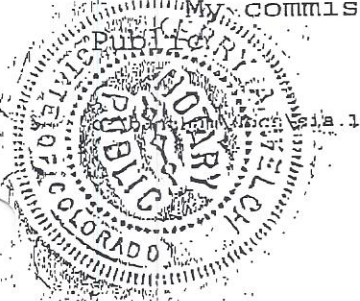
Witness my hand and official seal.

Kerry A. Welch

My commission expires:

11/03/98

Notary



San Juan Village PUD Public Improvements Cost Estimate

San Juan Village
Summary of SIA Bonding Requirement
Updated: February 12, 1998

ITEM	CONTRACTOR	AMOUNT	BID/EST.	NOTES
Infrastructure:				
Earthwork	Telluride Gravel	\$202,819	incl.	incl.
Roads		incl.	incl.	dropped \$2000 duplicate item/Natural Gas
Water		incl.	incl.	
Sewer		incl.	incl.	
Storm Drain		incl.	incl.	
Natural Gas		incl.	incl.	
Construction Surveying	Foley & Assoc.	\$12,600	Bid	
Engineering Inspections/Stamp	Foley & Assoc.	\$9,930	Bid	
Geotechnical Inspections	Lambert & Assoc.	\$5,523	Bid	
Electrical	San Miguel Power	\$22,018	Bid	
- Conduit, labor, trench, bed, backfill	T. Gravel	\$7,038	Bid	share w/gas
- Trench Main Street		\$2,500	Bid	service to lots 6,14,16,17 Included/Provide agreement for gas substation
Natural Gas	K & N Energy	\$2,240	Bid	share w/power
Trench Main Street	U.S. West	\$6,460	Bid	\$380 per lot/confirmed direct bury cable/Mike Looman 259-1441
Telephone, direct bury wire, shared trench	T. Gravel	\$1,924	Bid	860' 2" sched 40 PVC, 5 90deg sweeps, 1 tee
Cable TV conduit, labor, shared trench	Carlou Design	\$58,666	Bid	15 foot width maximum/keep this number even though 12 foot path per Frowny
Landscaping		\$28,452	Bid	4 lights Colorado/2 lights Columbia
Bike/Ped Path		\$18,000	Est.	780 In ft. @ \$5 inclusive
Street Lighting		\$3,900	Bid	
Conduit		incl.		
Conduit Labor		incl.		
Wire		incl.		
Wire Labor		incl.		
Trenching		incl.		
School light hookup		\$1,000	Est.	\$3 in ft. trench, bed, backfill
Old Conoco Corp Shop		\$500	Est.	provide easement for wire or st. light option
Extra Fire Hydrants		\$4,000	Est.	per agreement w/Frowny
Totals		\$390,070		relocate one new/replumb Davis St.
10% Construction Contingency		\$39,007		
Total Cost Plus Contingency		\$429,077		

PAID: \$26.00

307576

307576 09/23/1996 01:27P B: 568 P: 43
Gay Cappis, County Clerk, San Miguel County, CO

AMENDMENT TO DEVELOPMENT AGREEMENT PER
SAN JUAN VILLAGE PUD/SUBDIVISION AMENDMENT #2
FOR SAN JUAN VILLAGE

THIS AMENDMENT TO DEVELOPMENT AGREEMENT FOR SAN JUAN VILLAGE dated September 16, 1996 is entered into by and between the Town of Telluride, a home-rule municipality and political subdivision of the State of Colorado (hereinafter the "Town"), and Bantham, LLC, a Colorado limited liability corporation (hereinafter the "Owner").

I. RECITALS

1.1. Bantham, LLC, the owner of certain real property described as lots P, 1A and 3-17, (hereinafter collectively referred to as the "Property").

1.2. The Development Agreement for San Juan Village being amended herein was recorded with the clerk and recorder for San Miguel County on May 1, 1996 in book 561 at page 182 (the "Development Agreement").

1.3. At a public hearing on July 18, 1996, preceded by publication of public notice in the Telluride Times Journal and mailing of public notice to property owners within one hundred fifty feet (150') of the Property in accordance with the Town's requirements, and following review and recommendation of the Telluride Historical and Architectural Review Commission ("H.A.R.C."), the Telluride Planning & Zoning Commission approved with conditions, the amendment #2 to the San Juan Village PUD/Subdivision.

1.4 The following provisions implement and document the amendments with conditions approved by the Planning and Zoning Commission.

II. AMENDMENTS

1. The Use Summary Table attached to the Development Agreement shall be replaced in its entirety with the Amended Use Summary Table attached hereto as Exhibit 1 and incorporated herein.

2. The short term deed restriction for dwelling units with kitchens less than 450 sq. ft set forth in Note 10 of the Amended Use Summary Table shall provide:

No person shall be allowed to reside in or occupy an accommodations unit for more than thirty (30) consecutive days, or a total of sixty (60) days in any single calendar year.

3. Because the Amended Use Summary Table increases the maximum

allowable density on certain lots, and additional commercial density is now permitted on lot 6, San Juan Village, the approximate range of required affordable housing has changed. Therefore, Paragraph 3.5 "AFFORDABLE HOUSING" of the Development Agreement shall be amended to delete the following phrase:

"and that the amount of such construction could range between approximately 2,171 to 9,131 square feet for the entire subdivision"

4. Paragraph 3.10(B), Permitted Uses shall be deleted and replaced with the following paragraph:

B. Permitted Uses. The uses permitted by right or by review for specific lots within the San Juan Village P.U.D. / Subdivision shall be all those uses permitted by right or on review pursuant to the Accommodations Two Zone District (LUC Section 3-210.), and which are designated as a "use by right" on Exhibit USE, which exhibit is attached hereto and incorporated herein by this reference, or any subsequent amendment of such Exhibit USE, except that:

(1) all tourist-related commercial uses which do not exceed 15% of the allowable principal structural floor area and which may otherwise occur on any lot in the San Juan Village shall be transferred to, and shall occur only on, the first floor and/or basements of primary structures on Lots 3, 4, or 5; the basement and all floors of lot 6; or any combination thereof. All Accommodations II commercial uses by right and by review shall be Accommodations uses by right and on review on the first floor and basements of lots 3, 4, and 5 and the basement and all floors of lot 6. The commercial use proposed by the TRA development application for lot 6 which is currently pending before HARC shall be considered a use by right. At the time of sale or construction on any such lot, whichever is earlier, the Owner shall specifically designate by recorded instrument what portion of said commercial square footage, if any, is transferred to such lot, a copy of which will be provided to the Town Planning Director; The total square feet allowed on lots 3, 4, 5 & 6 shall not exceed 13,500 gross square feet.

(2) one-family or two-family dwelling units shall be considered a use by right on Lots 7, 16 and 17.

5. Paragraph 3.10(D), Setbacks, shall be amended to reflect the change in the setback on the west side of lot 7. The following phrase describing the side yard setback for lot 7 shall be deleted:

"ten feet (10') - Lot 7, western boundary only, inclusive of eight foot easement"

The following phrase shall be inserted in section 3.10(D) to describe the amended side yard setback for lot 7:

"ten feet (10') - Lot 7 western boundary only. HARC may modify the setback up to a five foot setback. The setback for porches, decks and balconies shall be five feet."

6. The following paragraph shall be inserted as paragraph 3.10(I) of the Development Agreement:

I. Short Term Parking. Short term parking shall be permitted on both sides of North Tomboy Street at the discretion of the Town Engineer, if deemed appropriate for the ultimate use of Lot 6.

7. The following paragraph shall be inserted as paragraph 3.10(J) of the Development Agreement:

J. Vehicular Access. Vehicular access to all lots in the San Juan Village P.U.D. shall be limited to the alley.

8. The following paragraph shall be inserted as paragraph 3.10(K) of the Development Agreement:

K. Lot 6 Orientation. Building(s) on Lot 6 shall be oriented towards Colorado Avenue.

9. The following paragraph shall be inserted as paragraph 3.10(L) of the Development Agreement:

L. Landscaping. Lot 1A landscaping shall discourage access to riparian areas. Landscaping for Lot 7 will be specified within HARC review. Landscaping for the PUD is also subject to a HARC-approved landscaping plan, including recorded amendments.

IN WITNESS WHEREOF this Amendment to Development Agreement is approved, covenanted, agreed to, and executed this 20th day of September, 1995.

TOWN OF TELLURIDE

BY: Margaret

Town Manager

Attest: J. Krellaci

Town Clerk

Approved: Sandra Stuller

Form: 112

Sandra Stuller

Town Attorney for the Town of Telluride

BANTHAM, LLC

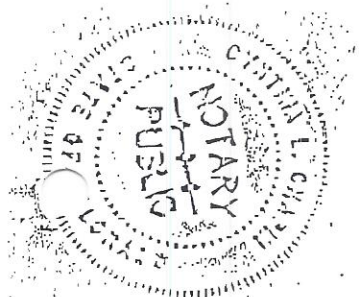
By:

Michael E. Gardner
Michael E. Gardner, ManagerState of Colorado)
) ss.
County of San Miguel)SUBSCRIBED, SWORN TO AND ACKNOWLEDGED BEFORE ME by
Michael E. Gardner, Manager of Bantham, LLC on this 8th day of
August, 1996.

Witness my hand and official seal.

Cynthia L. ChapinMy commission expires: 4-18-99

Notary Public



PAID: \$21.00

314879

314879

10/09/1997 02:14P

B: 538 P: 42

Gay Cappis, County Clerk, San Miguel County, CO

THIRD AMENDMENT TO DEVELOPMENT AGREEMENT FOR
SAN JUAN VILLAGE PUD/SUBDIVISION AMENDMENT

THIS THIRD AMENDMENT TO DEVELOPMENT AGREEMENT FOR SAN JUAN VILLAGE dated September 8, 1997 is entered into by and between the Town of Telluride, a home-rule municipality and political subdivision of the State of Colorado (hereinafter the "Town"), Bantham, LLC, a Colorado limited liability corporation (hereinafter "Bantham") and Lance J. Lee and Nancy R. Lee.

I. RECITALS

1.1. Bantham is the owner of certain real property described as lots 1A and 3, 5 and 6, San Juan Village according to the correction plat filed with the clerk and recorder of San Miguel County on October 1, 1996, in Plat Book 1 at Page 2122; and Lance and Nancy Lee are the owners of certain real property described as lot 4, San Juan Village according to the correction plat filed with the clerk and recorder of San Miguel County on October 1, 1996, in Plat Book 1 at Page 2122; (hereinafter collectively referred to as the "Property").

1.2. The Development Agreement for San Juan Village being amended herein was recorded with the clerk and recorder for San Miguel County on May 1, 1996 in book 561 at page 182, and amended by an Amendment to Development Agreement recorded with the clerk and recorder of San Miguel County on September 23, 1996, in book 568 at page 42, (collectively the "Development Agreement").

1.3. At a public hearing on August 21, 1997, preceded by publication of public notice in the Telluride Times Journal and mailing of public notice to property owners within one hundred fifty feet (150') of the Property in accordance with the Town's requirements, and following review and recommendation of the Telluride Historical and Architectural Review Commission ("H.A.R.C."), the Telluride Planning & Zoning Commission approved with conditions, the Third Amendment to the San Juan Village PUD/Subdivision.

1.4 The following provisions implement and document the amendments with conditions approved by the Planning and Zoning Commission.

314879

B: 588 P: 43

II . AMENDMENTS

1. Paragraph 3.10(B), Permitted Uses, of the Development Agreement shall be deleted and replaced with the following paragraph:

3.10(B). Permitted Uses. The uses permitted by right or by review for specific lots within the San Juan Village P.U.D. / Subdivision shall be: (i) all those uses permitted by right or on review pursuant to the Accommodations Two Zone District (LUC, Section 3-210); and (ii) those uses which are designated as a "use by right" on Exhibit 1-Use Summary Table, which is attached to the Amendment to the San Juan Village Development Agreement recorded with the Clerk and Recorder for San Miguel County in book 568 at page 43, or any subsequent amendment of such Exhibit 1-Use Summary Table (collectively referred to as the "Permitted Uses"). The following exceptions and/or provisions shall apply to the Permitted Uses:

(1) All tourist-related commercial uses which do not exceed 15% of the allowable principal structural floor area and which may otherwise occur on any lot in the San Juan Village P.U.D. shall be transferred to, and shall occur only on, the first floor and/or basements of primary structures on Lots 1A, 3, 4, or 5; the basement and all floors of lot 6; or any combination thereof. The total square foot area of commercial use allowed on lots 1A, 3, 4, 5 & 6 shall not exceed 13,500 gross square feet. At the time of sale or construction on any such lot, whichever is earlier, the Owner shall specifically designate by recorded instrument what portion of said commercial square footage, if any, is transferred to such lot, a copy of which will be provided to the Town Planning Director.

(2) The primary design character of Lots 1A, 3, 4, 5, and 6 shall remain residential.

(3) One-family or two-family dwelling units shall be considered a use by right on Lots 7, 16 and 17.

(4) Low intensity office use shall be considered a use by right on the lots or portions of lots in San Juan Village that allow commercial uses.

(5) Property management offices use shall be considered a use by right on Lot 6.

(6) The commercial square foot area on lot 1A shall be limited to a maximum of 1000 square feet. The commercial

314879

B: 588 P: 44

use allowed on lot 1A shall be limited to low intensity office use.

(7) In the event that Dwelling Units and 200 - 1000 square feet of commercial office space is developed on Lot 1A, the maximum number of Dwelling Units allowed on Lot 1A shall be decreased by one.

(8) In the event that Accommodations Units and 200 - 500 square feet of commercial office space is developed on Lot 1A, the maximum number of Accommodations Units allowed on Lot 1A shall be decreased by one.

(9) In the event that Accommodations Units and 501 - 1000 square feet of commercial office space is developed on Lot 1A, the maximum number of Accommodations Units allowed on Lot 1A shall be decreased by two.

IN WITNESS WHEREOF this Amendment to Development Agreement is approved, covenanted, agreed to, and executed this 5th day of September, 1997.

TOWN OF TELLURIDE

By:

Town Manager:

Attest:

Town Clerk

Approved as to form:

Sandra Stuller

Town Attorney for the Town of Telluride

BANTHAM, LLC

By:

Michael E. Gardner, Manager

State of Colorado)

) ss.

County of San Miguel)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED BEFORE
Michael E. Gardner, Manager of Bantham, LLC on this day of
September, 1997.

Witness my hand and official seal.



Tiffany TeDESCO Baumann

314879
B: 588 P: 45My commission expires: 5/8/2000

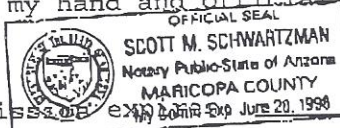
Notary Public

LANCE J. LEE

By: Lance J. Lee

Lance J. Lee

ARIZONA

State of ~~CHYOTAGO~~ ARIZONA ss.County of ~~SEN/MAGUEL~~ MARICOPASUBSCRIBED, SWORN TO AND ACKNOWLEDGED BEFORE ME by
Lance J. Lee on this 24 day of September, 1997.
Witness my hand and official seal.My commission expires: June 20, 1998

Notary Public

NANCY R. LEE

By: Nancy R. Lee

Nancy R. Lee

ARIZONA

State of ~~CHYOTAGO~~ ARIZONA ss.County of ~~SEN/MAGUEL~~ MARICOPASUBSCRIBED, SWORN TO AND ACKNOWLEDGED BEFORE ME by
Nancy R. Lee on this 24 day of September, 1997.
Witness my hand and official seal.

My commission expires: _____

Notary Public

PAID: \$11.00 304961

304961 05/01/1996 11:25A B: 561 P: 213
Gay Cappis, County Clerk, San Miguel County, CO

ALLEY MAINTENANCE AGREEMENT

THIS AGREEMENT dated this 21st day of March, 1996 between San Juan Village Owner's Association, Inc., a Nonprofit Corporation (hereinafter "HOA") and the Town of Telluride, a home rule municipality of the State of Colorado ("TOWN").

RECITALS

1. TOWN is the owner of the following described real property located in the Town of Telluride:

The Alley, within the San Juan Village P.U.D./Subdivision, Town of Telluride, Colorado, according to the Plat filed with the clerk and recorder of San Miguel County on March 21, 1996.

2. As a condition of the TOWN'S approval of the San Juan Village P.U.D./Subdivision, HOA has agreed to sign an alley maintenance agreement.

NOW, THEREFORE, IN CONSIDERATION of the mutual promises, obligations, approvals and waivers, as set forth below, the TOWN and HOA, on behalf of itself and its lessees, guests, invitees, licensees, representatives, executors, heirs, successors, and assigns, hereby COVENANT and AGREE as follows:

HOA hereby waives any right OWNER may have to require the TOWN to
a) improve the alley in San Juan Village (The alley in San Juan Village area marked "alley" on the Subdivision Plat), or to b) provide surface repair or winter snow removal of the alley.

SIGNATURES ON FOLLOWING PAGE

HOA

San Juan Village Owner's Association, Inc.,
a Nonprofit Corporation

By Michael E. Gardner
Michael E. Gardner, President

Subscribed and sworn to before me this 21st day of March, 1996, by Michael E. Gardner,
President of San Juan Village Owner's Association, Inc., a Nonprofit Corporation.

My Commission Expires: 11/03/98
Notary Public

Kerry A. Welch

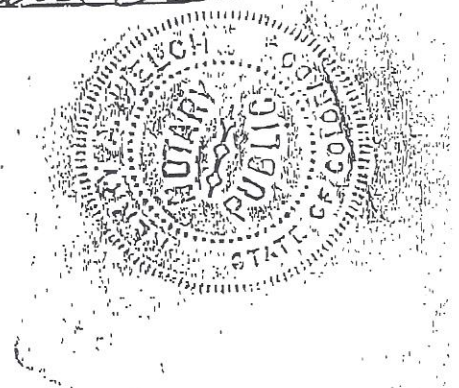
TOWN OF TELLURIDE

By: W. Fournelle

Title: Director of Public Works
Town Engineer

cc: Building Official
Lot and Block File

File with County Clerk and Recorder



PAID: \$16.00

307575

307575 09/23/1996 01:27P B: 568 P: 40
Gay Cappie, County Clerk, San Miguel County, CO

LANDSCAPE AGREEMENT

THIS LANDSCAPE AGREEMENT is entered into this 20th day of September, 1996, by and between the Town of Telluride, a home-rule municipality and political subdivision of the State of Colorado (hereinafter the "Town"), Bantham, LLC, a Colorado limited liability corporation (hereinafter the "Owner" or "Bantham"), and the San Juan Village Owners Association, Inc., a Colorado nonprofit corporation, (hereinafter the "Association").

I. RECITALS

WHEREAS, Bantham, LLC is the owner of certain real property described as Lots P, 1A, and 3 through 17, San Juan Village according to the plat recorded with the clerk and recorder of San Miguel County on May 1, 1996 in Plat Book 1 at page 2043 (hereinafter referred to as the "Property");

WHEREAS, The landscape plan for San Juan Village which received final approval by the Town on May 16, 1996 (the "Landscape Plan") conflicts with requirements by the Town engineer that all trees must be planted at least ten feet away from any water, sewer or storm sewer pipes;

WHEREAS, a prohibition of the planting of trees within ten feet of all water, sewer or storm sewer pipes would eliminate the planting of all trees on the west side of the Property, in the area to the south of Lot 7, 8 and 9, and on the east side of Lot 1A;

WHEREAS, The Town and Owner desire that some trees be planted in the above described areas;

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. The Landscape Plan approved by the Town is hereby amended. Owner shall not be required to plant trees identified on the Landscape Plan if the trees are within seven feet of a water, sewer or storm sewer line. Owner shall be permitted to plant trees within five to seven feet of a water, sewer or storm sewer line subject to the conditions set forth in paragraph 2 below.
2. Owner may plant trees between five and seven feet of the water, sewer or storm sewer line at Owner's risk as to the destruction or damage to such trees by the Town. In the event that Town needs to repair, maintain, inspect or replace a water, sewer or storm sewer line, and a tree planted by Owner pursuant to the Landscape Plan, on Owner's property is between five and seven feet of an existing water, sewer or storm sewer line, Owner and Association shall not hold the Town responsible for any damage to such trees. The Town agrees to use reasonable care to avoid damaging trees when repairing.

maintaining, inspecting or replacing a water, sewer storm line pipe. In the event the Town or one of its agents destroys or damages any trees planted by Owner pursuant to the Landscape Plan, on Owner's property between five and seven feet of a water pipe, the Town shall have no obligation to replace or repair such trees, unless agreed pursuant to paragraph 3 below.

3. If the Town, Owner and the Association all agree that extraordinary measures are necessary and reasonable to preserve or replace trees planted by Owner pursuant to the Landscape Plan, on Owner's or Association's property, within five to seven feet of a water, sewer, or storm sewer, the Association, Owner and Town shall reach agreement regarding the extraordinary measures needed to preserve or replace the trees affected. Landscaping activity per any such agreement should be calculated and completed per the trunk formula method form of the Council of Tree and Landscape Appraisers.
4. All provisions of this Landscape Agreement shall be binding upon and inure to the benefit of the successors and/or assigns of the parties hereto.

IN WITNESS WHEREOF this Landscape Agreement is agreed to, and executed this 20th day of September, 1996.

TOWN OF TELLURIDE

By: Margaret C. [Signature]
Town Manager

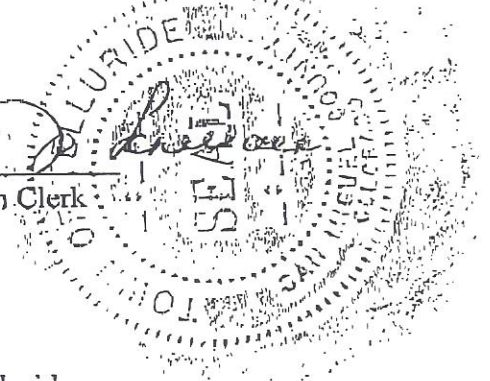
Attest:

Mary [Signature]
Town Clerk

Approved as to form: [Signature]

Sandra Stuller

Town Attorney for the Town of Telluride



BANTHAM, LLC, a Colorado limited liability company

By: Michael E. Gardner

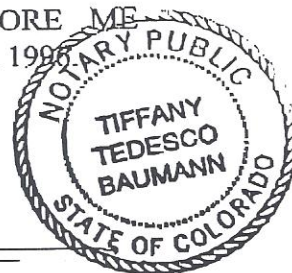
Michael E. Gardner, Manager

State of Colorado)
) ss.
 County of San Miguel)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED BEFORE ME
 by Michael E. Gardner, Manager of Bantham, LLC on this 16 day of September, 1996.
 WITNESS my hand and seal.

My commission expires: 5/8/2000

Tiffany Tedesco Baumann
 Notary Public



SAN JUAN VILLAGE OWNERS ASSOCIATION, INC., a Colorado nonprofit corporation

By: Michael E. Gardner

Michael E. Gardner, President

State of Colorado)
) ss.
 County of San Miguel)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED BEFORE ME
 by Michael E. Gardner, President of San Juan Village Owners Association, Inc. on this 16
 day of September, 1996.

WITNESS my hand and seal.

My commission expires: 5/8/2000

Tiffany Tedesco Baumann
 Notary Public



PAID: \$16.00

308682

308682 11/15/1996 01:43P B: 571 P: 19
Gay Cappis, County Clerk, San Miguel County, CO

MAINTENANCE AGREEMENT

THIS MAINTENANCE AGREEMENT is entered into by and between the Town of Telluride, a home-rule municipality and political subdivision of the State of Colorado (hereinafter the "Town"), and the San Juan Village Owners Association, Inc., a Colorado nonprofit corporation, (hereinafter the "Association").

I. RECITALS

WHEREAS, the Town is the owner of: (i) a certain strip of real property which includes a portion of Colorado Avenue and an area located north of Colorado Avenue and directly south of Lots, 1A, and 3-9, San Juan Village according to the plat recorded with the clerk and recorder of San Miguel County on May 1, 1996 in Plat Book 1 at page 2043 (hereinafter referred to as the "Town Right of Way"); and (ii) Lot OS, San Juan Village according to the plat recorded with the clerk and recorder of San Miguel County on May 1, 1996 in Plat Book 1 at page 2043 (hereinafter referred to as "Lot OS");

WHEREAS, Bantham LLC, a Colorado limited liability company ("Bantham"), landscaped a portion of the Town Right of Way pursuant to the landscape plan for San Juan Village which received final approval by the Town on May 16, 1996, and was amended by the Landscape Agreement recorded with the clerk and recorder of San Miguel County on September 23, 1996 in Book 568 at Page 40 (collectively the "Landscape Plan");

WHEREAS, Town and Association desire that the Association provide landscape maintenance for the landscaped area on the Town Right of Way which was landscaped by Bantham pursuant to the Landscape Plan (the "Landscaped Area") and Lot OS;

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

I. The Association hereby agrees to provide maintenance to the Landscaped Area and Lot OS pursuant to the following guidelines:

A. Maintenance of plants and landscaped areas

1. All plants will be xeric, drought tolerant, native species that require minimal irrigation, except HARC approved flower beds pursuant to the Landscape Plan.
2. The health of all plants will be monitored, on a regular basis with respect to fertilization, insect and disease control, pruning, and irrigation.
3. Native grasses and weeds shall be maintained so that their growth does not exceed the height of the shrubs, trees, and plants in the areas. Removal or weed-wacking of undesirable weeds and grasses are acceptable methods to maintain problem areas. Pre-emergent weed control and/or chemical sprays can be used to control undesirable overgrowth.
4. Tree and shrub wells, (the area at the base of the plant to the plant's drip line) will be cleared of grasses and weeds to allow healthy plant growth.
5. If trees in the Landscaped area die as a result of the Association's negligent maintenance, the Association shall replace dead trees and plants within one month after turning an undesirable brown/yellow color. Dead plants shall be

replaced with similar species of plants or more successful native/xeric plants of a similar size.

6. Trees & shrubs will be pruned as needed in accordance with Town of Telluride Tree Ordinance for the health and safety of the public and the plants.
7. Mulching of all flower beds and tree and shrub wells, is encouraged to ensure healthy growth and for water conservation.

B. Irrigation systems

1. Irrigation systems shall be fully operable and maintained properly for coverage of the Landscaped Area. Adjustments to irrigation nozzles shall be made for over spray on streets or sidewalks. Automatic systems shall be equipped with time-activated control clocks.
2. Water in the irrigation lines shall be blown out with an air compressor each fall, before winter freeze. Irrigation lines shall be activated again in the spring.
3. Standards for irrigation will be in accordance to the Town of Telluride Water Conservation Ordinance (*chapter 13.30*).

C. Trash removal

1. All landscaped areas will be cleaned of loose trash and debris on a regular basis.

II. The Association's obligation to maintain the Landscaped Area and Lot OS shall be limited to the maintenance of landscaping planted by Bantham or the Association. The Association shall have no obligation to maintain the bikepath or any other road, utility or structure in the Landscaped Area.

III. The Town hereby agrees to waive the tap fee for the permanent tap to be used to irrigate the Landscaped Area, located on Lot 1A, San Juan Village, according to the plat recorded with the clerk and recorder of San Miguel County on May 1, 1996 in Plat Book 1 at page 2043.

IN WITNESS WHEREOF this Landscape Agreement is agreed to, and executed this 7th day of October, 1996.

TOWN OF TELLURIDE

By: Margaret Allen
Town Manager

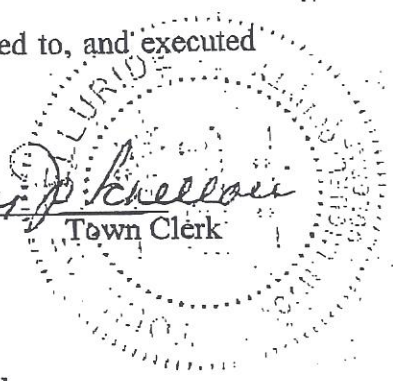
Attest:

Mary P. Kelleher
Town Clerk

Approved as to form:

Sandra Stuller
Sandra Stuller
Town Attorney for the Town of Telluride

EXCLUSIVELY
MAD
MEG



SAN JUAN VILLAGE OWNERS ASSOCIATION, INC., a Colorado nonprofit corporation

By: Michael E. Gardner
Michael E. Gardner, President

State of Colorado

)
) ss.

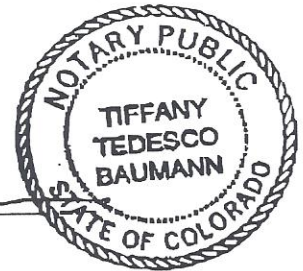
County of San Miguel)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED BEFORE ME
by Michael E. Gardner, President of San Juan Village Owners Association, Inc. on this 30
day of October, 1996.

WITNESS my hand and seal.

My commission expires: May 8, 2000

Tiffany Tedesco Baumann
Notary Public



327596 06/30/1999, 02:40 PM Page 1 of 2
Gay Cappis Clerk-Recorder San Miguel Cnty Co

PAID: \$11.00 327596

**LOTS 1A, 5 & 6, SAN JUAN VILLAGE
DESIGNATION OF COMMERCIAL SQUARE FOOTAGE**

I. RECITALS

A. Bantham, LLC, a Colorado limited liability corporation (hereinafter "Bantham") and the Town of Telluride, a home-rule municipality and political subdivision of the State of Colorado (hereinafter the "Town"), entered into an Amendment to Development Agreement Per San Juan Village PUD/Subdivision Amendment #2 for San Juan Village, dated September 16, 1996, and recorded with the Clerk and Recorder of San Miguel County on September 23, 1996, in Book 568 at Page 43 (hereinafter referred to as "San Juan Village P.U.D. Amendment #2"), and a Third Amendment to Development Agreement Per San Juan Village PUD/Subdivision Amendment, dated October 8, 1997, and recorded with the Clerk and Recorder of San Miguel County on October 9, 1997, in Book 588 at Page 42 (hereinafter referred to as "San Juan Village P.U.D. Amendment #3"); and;

B. Paragraph 4(B)(1) of the San Juan Village P.U.D. Amendment #2, and paragraph 1 of the San Juan Village P.U.D. Amendment #3 require Bantham to specifically designate by recorded instrument the portion of commercial square footage, if any, of the 13,000 commercial square feet that may be transferred to Lots 1A, 3, 4, 5 and 6, San Juan Village.

II. TRANSFERS

1. Bantham assigned 730 commercial square feet to Lot 3, San Juan Village, as recorded with the Clerk and Recorder of San Miguel County on December 1, 1997 in book 591 at page 70.
2. Bantham assigned 1156 commercial square feet to Lot 4, San Juan Village, as recorded with the Clerk and Recorder of San Miguel County on August 11, 1997 in book 585, page 185.
3. Pursuant to paragraph 4(B)(1) of the San Juan Village P.U.D. Amendment #2, and paragraph 1 of the San Juan Village P.U.D. Amendment #3, Bantham hereby transfers the remaining San Juan Village commercial square feet as follows:
 - a) 1605 commercial square feet to Lot 5, San Juan Village;
 - b) 1000 commercial square feet to Lot 1A, San Juan Village; and
 - c) 9009 commercial square feet to Lot 6, San Juan Village.

Bantham, LLC,
a Colorado limited liability company


By: Michael E. Gardner, Manager



337596 06/30/1999. 02:48 PM Page 2 of 2
Gay Cappis Clerk-Recorder San Miguel Cnty Co

Box 397 Telluride, CO 81435 (970) 728-3071
FAX (970) 728-3078

F

SAN JUAN VILLAGE MINOR PUD AMENDMENT #1

Per Sec. 6-314 of LUC, a minor PUD amendment is hereby approved, consistent with the request contained in the attached letter from Jackie Gardner, Esq. dated June 26, 1997.

The amendment consists of an increase in allowable density for Lot 4 of the PUD/Subdivision from four (4) total units to five (5). The amendment modifies the specified density limit for Lot 4 contained in the Use Summary Table of the "Development Agreement for San Juan Village" dated March 21, 1996, and as subsequently amended.

This approval is based on the following findings of fact:

- 1) The change is in compliance with the guidelines for minor PUD amendments specified in Section 6-314 of the LUC, based on the above findings, and the preservation of the basic intent, character, uses, and restrictions of the approved final PUD.
- 2) The change is consistent with the guidelines for minor PUD amendments specified in Section 6-314 of the LUC, based on a density increase for the total PUD of approximately 1.1%, and no cumulative impacts associated with any previous modification.

A handwritten signature in cursive script, appearing to read "Steven R. Ferris".

Steven R. Ferris
Planning Director

7/8/97
date

attachment: 6/26/97 correspondence



N 72°06'00" W

184.18'

CORNET

N 72°06'00" W

178.35'

5' SETBACK

120.00'

LOT 5
836.45 S.F.
0.02 Ac.

N 17°54'00" E

27.82' 3' SETBACK

5' SETBACK

L=119.09'

LOT 6
5,903.88 S.F.
0.14 Ac.

WHEELS

SEE NOTE 1

R=215.00' L=58.60'

CHORD=58.42'

N 25°42'29" E

N 17°54'00" E 20.00'

10.00'

50.00'

16,952.07 S.F.
0.39 Ac.

CORNET

CHORD=70.88'

N 25°35'07" E

R=265.00' L=71.09'

N 17°54'00" E

10.00'

SEE NOTE 1 AND 5' UTILITY EASEMENT

5' SETBACK

L=4

COLORADO

AVENUE

The setback adjacent to Cornet
/ be modified by HARC up to

re nonexclusive five foot wide easements
of Barham LLC, its successors and/or
and maintenance of underground utilities,
right to rent utility companies the non-
utility easements.