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El Paso County, CO

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**ESCROW AGREEMENT /
GROUNDWATER PRODUCTION LEASE**

This ESCROW AGREEMENT / GROUNDWATER PRODUCTION LEASE (“**Agreement**”), dated effective as of October 26, 2018 (the “**Effective Date**”) is made by and between THE BOARD OF COUNTY COMMISSIONERS OF EL PASO COUNTY, COLORADO (“**Board**” or “**County**”), PRI #2 LLC, a Colorado limited liability company (referred to herein as the “**Developer**”), FLYING HORSE NORTH HOMEOWNERS ASSOCIATION, INC., a Colorado nonprofit corporation (“**HOA**” or “**Homeowners Association**” or “**Association**”), and FLYING HORSE COUNTRY CLUB, LLC, a Colorado limited liability company (“**Club**” or “**Country Club**”). The above may occasionally be referred to herein singularly as “**Party**” or collectively as the “**Parties.**”

RECITALS

A. WHEREAS, Developer is the owner and/or developer of certain real estate in El Paso County, Colorado, which Property is legally described on Exhibit A attached hereto and incorporated herein by this reference (the “**Property**” or “**Subdivision**”);

B. WHEREAS, Developer desires to plat and develop on the Property a subdivision to be known as FLYING HORSE NORTH SUBDIVISION, FILINGS NO. 1 AND NO. 2 (Filings No. 1 and No. 2 shall be collectively referred to herein as the “**Subdivision**”); and

C. WHEREAS, it is in the interest of public health, safety, and welfare for the County to condition approval of this Subdivision on the Developer escrowing funds as an assurance for the dependability requirement for the water supply for the Subdivision to guarantee that certain lease payments will be made as more particularly set forth in this Agreement; and

D. WHEREAS, Chapter 8, Section 8.4 of the El Paso County Land Development Code, as periodically amended, promulgated pursuant to Section 30-28-133(1), Colorado Revised Statutes, 2000, as amended, requires the County to condition approval of all subdivisions on a developer’s provision of a sufficient water supply for subdivisions in accordance with the water sufficiency requirement of C.R.S. § 30-28-133(3)(d); and

E. WHEREAS, the Developer is the current Lessee under that certain State of Colorado / State Board of Land Commissioners / Groundwater Production Lease NO. OT-109328, dated November 6, 2014, and recorded at Reception No. 214120413 of the records of the El Paso County Clerk and Recorder’s Office (the “**Groundwater Lease**”)(a copy is attached hereto at Exhibit B and incorporated herein by this reference) between the State of Colorado acting through its State Board of Land Commissioners (“**SBLC**”)(the “**Lessor**”) and the David Wismer and Mary Anne Wismer Trust (“**Original Lessee**”).

The Groundwater Lease was assigned by the Original Lessee to Developer pursuant to that certain Lease Assignment, App, No. 3421 approved by the State of Colorado on June 14, 2017 (the "**Groundwater Lease Assignment**") (copies of both are attached hereto at **Exhibit C** and incorporated herein by this reference). The Groundwater Lease and the Groundwater Lease Assignment are jointly referred to in this Agreement as the "**State Lease;**" and

F. WHEREAS, pursuant to the State Lease, Developer is now responsible to make the annual payments required including both a minimum annual payment of \$21,050.00 (Water Opportunity Charge) and a charge of \$1.00 per 1,000 gallons, or \$325.85 per acre foot, for Leased Water produced (Volumetric Charge), which Volumetric Charge is subject to periodic increases beginning in 2024. Pursuant to provisions in the State Lease, if the Developer defaults on these payment requirements or any other conditions in the State Lease, the Developer shall peaceably surrender possession of the Leased Water to the SBLC, the water and water rights revert to the SBLC, which then has the right to sell, exchange, or otherwise dispose of all of any of the Leased Water. This creates a dependability issue for the proposed water supply; and

G. WHEREAS, the proposed water supply for the Subdivision includes using water from all aquifers adjudicated in Case No. 04CW098, Water Division 2, which are the subject of the State Lease. Dawson aquifer water will be used for primary on-lot supply, Denver aquifer and Arapahoe aquifer water will be used for the Golf Course, and Laramie-Fox Hills aquifer water will be used in the augmentation plan to replace post-pumping depletions from the use of groundwater from the Dawson aquifer. Therefore, in order for the proposed supply to continue to be viable during the life of the State Lease, and thus have a sufficient dependability, the annual payments for both the Water Opportunity Charge and the Volumetric Charge must be made by the Developer; and

H. WHEREAS, the purpose of this Agreement is to create a mechanism whereby sufficient funds will be available in an escrow account to be used by the County in order to make those annual payments if Developer, the HOA, or the Country Club fail to do so, and that those escrow funds will be replenished if any portion of them are used in any given year to make the annual payments should Developer fail to do so; and

I. WHEREAS, the intent of this Agreement is to enable the Board of County Commissioners to be able to make either a finding of conditional sufficiency or full sufficiency for the proposed water supply regarding sufficient dependability; and

J. WHEREAS, the Developer and the HOA have entered into a contract whereby Developer will sell to the Association certain water made available to Developer pursuant to the State Lease (the "**Association Water Sales Agreement**"); and

K. WHEREAS, the Developer and the Country Club have also entered into a contract whereby Developer will sell to the Country Club certain water made available to Developer pursuant to the State Lease (the "**Country Club Water Sales Agreement**"); and

L. WHEREAS, under both the **Association Water Sales Agreement** and the **Country Club Water Sales Agreement**, the Developer promises to make both of the annual payments under the State Lease: “PRI #2 shall keep in full force and effect the State Land Board Lease by complying with all terms and conditions therein, including, without limitation, making all payments required by the State Land Board Lease, for the entire term, through February 27, 2048.” Both Water Sales Agreements further recite that if Developer fails to comply with the State Lease, the HOA and Country Club, respectively, may require Developer to comply, including pursuing litigation and making the payment with the right of reimbursement; and

M. WHEREAS, the County, in order to protect the public health, safety, and welfare, requires the Developer to establish and maintain an escrow of certain funds with an appropriate financial institution or title company agreed to by the County and Developer as an assurance that the Developer will make the required payments under the State Lease so that the Developer will have a dependable supply of water available to sell to the Association and the Country Club for the Subdivision pursuant to the respective Association and the Country Club Water Sales Agreements; and

N. WHEREAS, the County will condition approval of this Subdivision on the Board of County Commissioners’ approval of this Agreement and performance by Developer, the HOA, and the Country Club of the obligations contained in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual Promises contained herein, the sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Incorporation of Recitals:** The Parties incorporate the Recitals above into this Agreement.
2. **Developer’s Obligations:** Developer agrees that it is Developer’s obligation to establish and maintain the Flying Horse Escrow (“**Escrow**”)(as defined in Paragraph 6.a. of this Agreement). It is Developer’s responsibility to make sure the Escrow is fully funded each year of the Term so that the November 6 annual payments (both Water Opportunity Charge and Volumetric Charge) under the State Lease are made, and made on time. It is Developer’s responsibility to notify in writing the Executive Director, Planning and Community Development Department, with a copy to the County Attorney’s Office, no later than September 1 of each year during the Term, that the Escrow is fully funded at the \$200,000.00 balance, and that the Developer will make the required annual payments under the State Lease by the November 6 deadline. It is the Developer’s additional responsibility to execute and deliver to the Executive Director, Planning and Community Development Department, with a copy to the County Attorney’s Office, no later than September 1 of each year during the Term, a statement acknowledging the amount of Funds then in the Escrow and, that to the Developer’s knowledge, no currently due and owing payments are outstanding under the State Lease, or specifying any outstanding payments due and owing under the State Lease as of a date certain if such is the situation. The Developer’s failure to deliver either the notice of intent to make the annual payments or the certificate of the Escrow status by the September 1 deadline shall be conclusive evidence that the Developer does not intend to make the annual payments, and therefore, the County shall have the option to exercise its rights under Para. 3.

For the Term of this Agreement (as defined in Paragraph 5), this Agreement, and all of the obligations set forth in this Agreement regarding the Escrow, shall be binding upon the Developer and its successors and assigns, and shall also be binding upon the HOA and the Country Club to the extent of

being responsible for making the annual payments under the State Lease, pursuant to their respective Water Sales Agreements with Developer, if the Developer fails to make such payments. In other words, if Developer does not make or intend to make the annual payments, the County shall have the right, but not the obligation, to seek remedy for payment from the HOA and Country Club first before using Disbursed Funds from the Escrow to make sure the annual payments are made. In the event the County has to use Disbursed Funds pursuant to the terms of Paragraph 3 of this Agreement, Developer or its successors or assigns shall be obligated, within thirty (30) days following receipt of written notice that the County has used Disbursed Funds, to replenish the Funds in the Escrow so that the total Funds in the Escrow shall be the amount provided for in Paragraph 6.b. of this Agreement (“**Replenish**”).

3. County’s Rights and Obligations: If Developer fails to provide either the notice of intent or the statement of Escrow status by September 1 of each year during the Term, or if at any other time the County determines, in the reasonable exercise of its discretion, that any payment required from Developer, as Lessee, under the State Lease will not be paid by the November 6 deadline or remains unpaid following all applicable notice and cure periods provided for in the State Lease, the County shall give reasonable written notice to the Developer, the HOA, and the Country Club that a payment is owing and unpaid under the State Lease. The notice shall provide a date certain by which the Developer, the HOA, or the Country Club shall be required to make the payment owing under the State Lease, which date shall not be less than forty-eight (48) hours following the delivery of such notice to Developer, the HOA, and the Country Club. Should the Developer, the HOA, or the Country Club fail to make the outstanding payment set forth in the notice as of the specified date certain and as required under the State Lease, the County may make the outstanding payment to meet the annual payment requirement under the State Lease as set forth in the notice by utilizing all or a portion of the Funds in the Escrow (“**Disbursed Funds**”). Following the County having made the payment from the Escrow with Disbursed Funds, the Developer shall be obligated to Replenish the Escrow as provided for in Paragraph 2 of this Agreement. This Agreement does not expressly impose on the County a duty to contact the State or otherwise insure timely payments under the State Lease.

4. Reimbursement of County’s Costs: The Developer agrees and covenants for itself and its successors and assigns, that, during the Term, it will reimburse the County for its reasonable costs and expenses, including reasonable attorney fees, incurred in enforcing the terms of this Agreement, including but not limited to, the process of making annual or outstanding payments under the State Lease following the notice and cure periods described in Paragraph 3 of this Agreement.

5. Term: The term of this Agreement (the “**Term**”) shall commence on the Effective Date and shall continue until the expiration or earlier termination of the State Lease, which expiration date is February 27, 2048. On or before sixty (60) days following the expiration of the Term, pursuant to written instructions mutually agreeable between the Developer and the County, the balance of Funds in the Escrow will be disbursed to Developer after all costs to the County, and to the extent applicable, to the HOA and the Country Club, have been reimbursed.

6. Definitions:

a. Flying Horse Escrow. The term “**Flying Horse Escrow**” or “**Escrow**” shall mean the account to be established by the Developer pursuant to Paragraph 2 of this Agreement to hold Funds in a segregated, interest bearing account during the Term (defined below) pursuant to the terms and conditions set forth in this Agreement.

b. **Funds.** The term “**Funds**” shall mean the funds held in the Escrow pursuant to the terms described herein, including without limitation, all interest earned thereon. On or before five (5) business days following the Effective Date, Developer will deliver Two Hundred Thousand and 00/100 Dollars (\$200,000.00) of Funds to the financial institution or title company mutually agreed upon by the Developer and the County to be held in the Escrow. The Parties agree that the County is the only Party that is authorized to use the Funds to make the annual payments under the State Lease pursuant to Paragraph 3 of this Agreement.

c. **Actual Costs and Expenses.** The term “**actual costs and expenses**” shall be liberally construed in favor of the County, and shall include, but shall not be limited to, labor costs and attorney’s fees regardless of whether the County uses its own personnel to correct the matter. In the event the County initiates any litigation or engages the services of legal counsel in order to enforce the provisions arising herein, the County shall be entitled to its reasonable attorney fees and costs as part of actual costs and expenses, regardless of whether the County contracts with outside legal counsel or utilizes in-house legal counsel for the same.

7. **Recording:** The Parties agree that this Agreement shall be recorded in the public records of the El Paso County Clerk and Recorder’s Office.

8. **Contingencies of Subdivision Approval:** Developer’s execution of this Agreement is a condition of Subdivision approval.

9. **Condition Precedent:** As a condition precedent to the Board of County Commissioners hearing the Preliminary Plan and Final Plat, Filing No. 1, of the Subdivision, the Developer, the HOA, and the Country Club shall execute this Agreement and provide said executed copy to the Executive Director, Planning and Community Development Department, with a copy to the County Attorney’s Office, no later than ten (10) days prior to the Board of County Commissioners hearing. This Agreement shall not become binding on the Parties unless and until it is approved by the Board of County Commissioners in an open and public meeting. In the event that the Board does not approve both this Agreement and the Preliminary Plan and Final Plat, Filing No. 1, of the Subdivision, then this Agreement and any Party’s signature hereto shall be null, void, and without any force or effect.

10. **No Assurance of County Approvals:** The Parties understand and agree that by executing this Agreement, there is no assurance that the Board of County Commissioners will approve the Preliminary Plan and Final Plat, Filing No. 1, of the Subdivision, and there are no representations or promises or assurances made or implied herein by the County that by executing this Agreement the County will approve other zoning and/or final plats for the Flying Horse North Subdivision.

11. **Notice:** Any notice required to be given hereunder to El Paso County shall be effective when sent provided that any such notice is deposited in the United States mail, postage prepaid, certified mail, return receipt requested to the Executive Director, El Paso County Planning and Community Development Department, 2880 International Circle, Suite 110, Colorado Springs, CO 80910, with a copy to the County Attorney, El Paso County Attorney’s Office, 200 South Cascade Avenue, Suite 150, Colorado Springs, CO 80903. To the extent the El Paso County Planning and Community Development Department may from time to time change its address, any person or entity attempting to send notice to the County is charged with the duty to obtain the new address before sending notice pursuant to the method described in the sentence immediately above. Any notice required to be given to the Developer shall be in writing and shall be addressed as follows or as Developer may subsequently designate by written notice

to the County. All notices shall be transmitted either by personal delivery, reliable overnight courier (such as Federal Express or UPS), or through the facilities of the United States Post Office, postage prepaid, certified or registered mail, return receipt requested. Any such notice shall be effective upon delivery, if delivered by personal delivery or overnight courier, and seventy-two (72) hours after dispatch, if mailed in accordance with the above. Notices to the Developer shall be sent to the following addresses unless written notice of a change of address has been previously given pursuant hereto:

If to Developer: PRI #2 LLC
 c/o Elite Properties of America, Inc.
 6385 Corporate Drive, Suite 200
 Colorado Springs, Colorado 80919
 Phone: (719) 592-9333
 DStimple@classichomes.com

With copy to: Caroleen F. Jolivet, Esq.
 Mulliken Weiner Berg & Jolivet P.C.
 102 South Tejon Street, Suite 900
 Colorado Springs, Colorado 80903
 Phone: (719) 635-8750
 Jolivet@mullikenlaw.com

12. Indemnification and Hold Harmless: To the extent authorized by law, Developer agrees, for itself and its successors, that it will indemnify, defend, and hold the County harmless from any and all loss, costs, damage, injury, liability, claim, lien, demand, action, and causes of action whatsoever, whether at law or in equity, arising from or related to Developer's negligent or intentional acts, errors or omissions, or the negligent or intentional acts, errors, or omissions of its agents, officers, servants, or employees in or related to the State Lease; however, the obligation and liability of the Developer hereunder shall only continue during the Term. Nothing in this Paragraph, except as expressly provided below, shall be deemed to waive or otherwise limit the defense available to the County pursuant to the Colorado Governmental Immunity Act, Sections 24-10-101, *et. seq.* C.R.S., 2000, as amended, or as otherwise provided by law. .

13. Severability: In the event any Court of competent jurisdiction declares any part of this Agreement to be unenforceable, such declaration shall not affect the enforceability of the remaining parts of this Agreement.

14. Third Parties: This Agreement does not and shall not be deemed to confer upon or grant to any third party any right to claim damages or to bring any lawsuit, action, or other proceeding against either the County, the Developer, the HOA, or the Country Club because of any breach hereof or because of any terms, covenants, agreements, or conditions contained herein.

15. Applicable Law and Venue: The laws, rules, and regulations of the State of Colorado and El Paso County shall be applicable in the enforcement, interpretation, and execution of this Agreement, except that Federal law may be applicable regarding solid or hazardous wastes. Exclusive venue shall be in the El Paso County District Court.

16. Remedies: The Parties hereby agree that they may pursue any and all remedies available to them at law or in equity. The Parties further agree and acknowledge that this Agreement may be enforced at law or in equity. In addition to any other available remedies, in the event of a breach of this

Agreement, any Party may request a court of competent jurisdiction to enter a writ of mandamus to compel the breaching Party to perform under this Agreement, and any Party may seek from a court of competent jurisdiction temporary and/or permanent restraining orders, or orders for specific performance, to compel the other to perform in accordance with the obligations set forth in this Agreement, upon proof of entitlement to such relief in accord with the standards of applicable law. Any costs incurred by the County in enforcing the terms of the this Agreement against Developer, its successors or assigns, the HOA or the Country Club including, without limitation, court costs, shall be borne by Developer, its successors and assigns, the HOA, or the Country Club.

17. Amendment: This Agreement may be amended by mutual agreement of the Parties only if the amendment is in writing, signed by the Developer, the HOA, and the Country Club, and is approved by the Board of County Commissioners in an open and public meeting.

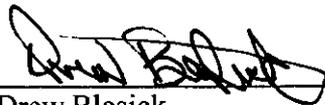
18. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages shall all be attached to a single original instrument.

[Signature Page Follows]

Executed this 31st day of July, 2018, by:

HOMEOWNERS ASSOCIATION:

**Flying Horse North Homeowners Association,
Inc.,
a Colorado non-profit corporation**

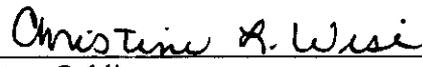
By: 
Name: Drew Blasick
Title: President

STATE OF COLORADO)
) SS:
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 31st day of July, 2018, by Drew Blasick, as President, of Flying Horse North Homeowners Association, Inc., a Colorado nonprofit corporation.

Witness my hand and official seal.
My commission expires: 12-02-2021

CHRISTINE L WISE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID # 19974021715
MY COMMISSION EXPIRES DECEMBER 2, 2021


Notary Public

Executed this 31st day of July, 2018, by:

COUNTRY CLUB:

Flying Horse Country Club, LLC,
a Colorado limited liability company

JBS By: *JBS* Family Enterprises, ~~L~~LLP,
a Colorado limited liability limited partnership, as Manager

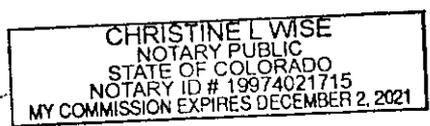
By: *JBS*

Name: Jeffrey B. Smith, General Partner

STATE OF COLORADO)
) SS:
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 31st day of July, 2018, by Jeffrey B. Smith as General Partner of *JBS* Family Enterprises, ~~L~~LLP, a Colorado limited liability limited partnership, as Manager for Flying Horse Country Club, LLC, a Colorado limited liability company.

Witness my hand and official seal.
My commission expires: 12-02-2021



Christine A. Wise
Notary Public



619 N. Cascade Avenue, Suite 200
Colorado Springs, Colorado 80903
(719)785-0790 (719)785-0799(fax)

JOB NO. 1096.02-06
MARCH 15, 2016
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LEGAL DESCRIPTION: PRELIMINARY PLAT

TWO (2) PARCELS OF LAND BEING ALL OF SECTION 36 AND A PORTION OF SECTION 34 AND SECTION 35, TOWNSHIP 11 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND A PORTION OF SECTIONS 30 AND 31, TOWNSHIP 11 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, ALL IN EL PASO COUNTY, COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 3, TOWNSHIP 12 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, BEING MONUMENTED AT THE WEST END BY A 2" ALUMINUM CAP STAMPED "24964" AND THE EAST END BY A 2 1/2" ALUMINUM CAP STAMPED "CCES LLC PLS 30118", IS ASSUMED TO BEAR S89°51'39"E, A DISTANCE OF 1316.82 FEET.

PARCEL 1

COMMENCING AT THE NORTHWEST CORNER OF SECTION 36, TOWNSHIP 11 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, SAID POINT BEING THE POINT OF BEGINNING;

THENCE N89°06'04"E, ON THE SOUTHERLY BOUNDARY OF HIGH FOREST RANCH FILING NO. 2, RECORDED UNDER RECEPTION NO. 202134767, RECORDS OF EL PASO COUNTY, COLORADO AND THE NORTH LINE OF NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 36, TOWNSHIP 11 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, A DISTANCE OF 1332.12 FEET TO THE SOUTHEASTERLY CORNER OF SAID HIGH FOREST RANCH FILING NO. 2, SAID POINT BEING THE WEST SIXTEENTH CORNER OF SAID SECTION 36;
THENCE N89°07'00"E, ON THE NORTH LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 36, A DISTANCE OF 1331.92 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 36;
THENCE N89°01'18"E, ON THE NORTH LINE OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 36, A DISTANCE OF 1331.92 FEET TO THE EAST SIXTEENTH CORNER OF SAID SECTION 36;
THENCE N89°03'58"E, ON THE NORTH LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 36, A DISTANCE OF 1332.09 FEET TO THE NORTHEAST CORNER OF SAID SECTION 36;
THENCE N89°06'20"E, ON THE NORTH LINE OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 31, TOWNSHIP 11 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, A DISTANCE OF 1474.13 FEET TO THE WEST SIXTEENTH CORNER OF SAID SECTION 31;
THENCE N00°08'36"E, ON THE WEST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 11 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, A DISTANCE OF 1325.48 FEET TO THE SOUTHWEST SIXTEENTH CORNER OF SAID SECTION 30;
THENCE N89°03'20"E, ON THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 30, A DISTANCE OF 920.27 FEET TO THE SOUTHWEST CORNER OF THE EASTERLY TWELVE (12) ACRES OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 30;
THENCE N00°08'15"E, ON THE WEST LINE OF SAID EASTERLY (12) TWELVE ACRES OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 30, A DISTANCE OF 1326.26 FEET TO THE NORTHWESTERLY CORNER OF SAID EAST (12) TWELVE ACRES OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 30, SAID POINT BEING ON THE NORTH LINE OF SAID NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 30 (HELD MONUMENTS DEPICTED ON LAND SURVEY PLAT DEPOSITED UNDER RECEPTION NO. 91000488 BY BERGEBREW & ASSOCIATES, INC ON JULY 30, 1991);

EXHIBIT A

THENCE N89°01'31"E, ON THE NORTH LINE OF SAID NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 30, A DISTANCE OF 399.42 FEET TO THE CENTER QUARTER OF SAID SECTION 30;

THENCE N00°08'48"E, ON THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 30, A DISTANCE OF 2604.74 FEET TO A POINT ON THE SOUTHERLY BOUNDARY OF A PARCEL OF LAND DESCRIBED IN A DOCUMENT RECORDED UNDER RECEPTION NO. 210081316;

THENCE ON SAID SOUTHERLY BOUNDARY, THE FOLLOWING (3) THREE COURSES:

1. N88°58'45"E, A DISTANCE OF 2270.00 FEET;
2. S71°21'27"E, A DISTANCE OF 29.72 FEET;
3. N88°58'45"E, A DISTANCE OF 299.96 FEET TO A POINT ON A LINE 30.00 FEET WEST OF AND PARALLEL TO THE EAST LINE OF SAID NORTHEAST QUARTER OF SECTION 30;

THENCE S00°00'48"W, ON SAID PARALLEL LINE, A DISTANCE OF 2595.64 FEET TO A POINT ON A LINE 30.00 FEET WEST OF AND PARALLEL TO THE EAST LINE OF THE SOUTHEAST QUARTER SAID SECTION 30;

THENCE S00°00'53"W, ON SAID PARALLEL LINE, A DISTANCE OF 2656.67 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 30;

THENCE S89°04'37"W, ON SAID SOUTH LINE, A DISTANCE OF 1290.01 FEET TO THE EAST SIXTEENTH CORNER OF SAID SECTION 31;

THENCE S00°00'11"E, ON THE EAST LINE OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 31, A DISTANCE OF 1326.67 FEET TO THE NORTHEAST SIXTEENTH CORNER OF SAID SECTION 31;

THENCE N89°08'21"E, ON THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 31, A DISTANCE OF 1289.57 FEET TO A POINT ON A LINE 30.00 FEET WEST OF AND PARALLEL TO THE EAST LINE OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 31;

THENCE S00°00'54"W, ON SAID PARALLEL LINE, A DISTANCE OF 1328.09 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 31, SAID POINT BEING ON THE NORTHERLY BOUNDARY OF COUNTRY VIEW ESTATES, RECORDED UNDER RECEPTION NO. 99011204;

THENCE S89°11'15"W, ON SAID SOUTH LINE AND THE NORTHERLY BOUNDARY OF SAID COUNTRY VIEW ESTATES AND ITS WESTERLY EXTENSION, A DISTANCE OF 2608.28 FEET TO THE CENTER QUARTER CORNER OF SAID SECTION 31;

THENCE S89°11'00"W, ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 31, A DISTANCE OF 1320.84 FEET TO THE CENTER-WEST SIXTEENTH CORNER OF SAID SECTION 31;

THENCE S00°00'34"W, ON THE EAST LINE OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 31, A DISTANCE OF 1329.16 FEET TO THE SOUTHWEST SIXTEENTH CORNER OF SAID SECTION 31, SAID POINT BEING ON THE NORTHERLY BOUNDARY OF PALMER DIVIDE, RECORDED UNDER RECEPTION NO. 205084216;

THENCE S89°24'17"W, ON THE SOUTH LINE OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 31 AND SAID NORTHERLY BOUNDARY OF PALMER DIVIDE AND ITS WESTERLY EXTENSION, A DISTANCE OF 1440.81 FEET TO THE SOUTH SIXTEENTH CORNER OF SAID SECTION 31;

THENCE S00°28'30"E, ON THE EAST LINE OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 36, A DISTANCE OF 1323.57 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 36, SAID POINT ALSO BEING THE NORTHEASTERLY CORNER OF EDMONDS SUBDIVISION, RECORDED IN PLAT BOOK H-3 AT PAGE 60;

THENCE S89°20'59"W, ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 36, THE NORTHERLY BOUNDARY OF SAID EDMONDS SUBDIVISION AND THE NORTHERLY BOUNDARY OF CATHEDRAL PINES SUBDIVISION FILING NO. 2, RECORDED UNDER RECEPTION NO. 205164426, A DISTANCE OF 2674.51 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 36;

THENCE S89°20'35"W, ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 30, CONTINUING ON SAID NORTHERLY BOUNDARY OF CATHEDRAL PINES SUBDIVISION FILING NO. 2 AND ON THE NORTHERLY BOUNDARY OF CATHEDRAL PINES SUBDIVISION FILING NO. 3, RECORDED UNDER RECEPTION NO. 206712390, A DISTANCE OF 2674.51 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 36;

THENCE N00°14'34"W, ON THE WEST LINE OF SAID SECTION 36, A DISTANCE OF 5269.38 FEET TO THE POINT OF BEGINNING.

CONTAINING A CALCULATED AREA OF 1346.825 ACRES.

PARCEL 2

COMMENCING AT THE NORTHEAST CORNER OF SECTION 35, TOWNSHIP 11 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, SAID POINT BEING THE POINT OF BEGINNING

THENCE S00°14'34"E, ON THE EAST LINE OF SAID SECTION 35, A DISTANCE OF 523.85 FEET TO A POINT ON CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT WHOSE CENTER BEARS S33°01'51"W, HAVING A DELTA OF 38°24'48", A RADIUS OF 535.00 FEET AND A DISTANCE OF 358.69 FEET TO A POINT OF TANGENT;

THENCE S84°37'03"W, A DISTANCE OF 175.44 FEET TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT HAVING A DELTA OF 11°13'59", A RADIUS OF 615.00 FEET AND A DISTANCE OF 120.57 FEET TO A POINT OF TANGENT;

THENCE N84°08'58"W, A DISTANCE OF 684.98 FEET TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT HAVING A DELTA OF 25°13'51", A RADIUS OF 615.00 FEET AND A DISTANCE OF 270.82 FEET TO A POINT OF TANGENT;

THENCE N58°55'07"W, A DISTANCE OF 166.51 FEET TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT HAVING A DELTA OF 31°18'40", A RADIUS OF 535.00 FEET AND A DISTANCE OF 292.37 FEET TO A POINT OF TANGENT;

THENCE S89°46'13"W, A DISTANCE OF 1674.58 FEET TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT HAVING A DELTA OF 24°52'43", A RADIUS OF 1960.00 FEET AND A DISTANCE OF 851.06 FEET TO A POINT OF TANGENT;

THENCE S64°53'30"W, A DISTANCE OF 459.47 FEET TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT HAVING A DELTA OF 21°22'27", A RADIUS OF 1040.00 FEET AND A DISTANCE OF 387.97 FEET TO A POINT OF TANGENT;

THENCE S86°15'57"W, A DISTANCE OF 692.41 FEET TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT HAVING A DELTA OF 51°05'38", A RADIUS OF 535.00 FEET AND A DISTANCE OF 477.09 FEET TO A POINT OF TANGENT;

THENCE S35°10'18"W, A DISTANCE OF 291.93 FEET TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT HAVING A DELTA OF 53°07'49", A RADIUS OF 615.00 FEET AND A DISTANCE OF 570.29 FEET TO A POINT OF TANGENT;

THENCE S88°18'07"W, A DISTANCE OF 160.75 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF STATE HIGHWAY 83;

THENCE N01°41'53"W, ON SAID EASTERLY RIGHT OF WAY LINE A DISTANCE OF 90.00 FEET TO THE SOUTHWESTERLY CORNER OF LOT 1 AS PLATTED IN WESCOTT FIRE STATION NO. 3, RECORDED UNDER RECEPTION NO. 212713192 RECORDS OF EL PASO COUNTY, COLORADO;

THENCE ON THE SOUTHERLY, EASTERLY AND NORTHERLY BOUNDARY OF SAID LOT 1 THE FOLLOWING (5) FIVE COURSES;

1. N88°18'07"E, A DISTANCE OF 165.75 FEET TO A POINT OF CURVE;
2. ON THE ARC OF A CURVE TO THE LEFT HAVING A DELTA OF 54°10'43", A RADIUS OF 460.00 FEET AND A DISTANCE OF 434.97 FEET TO A POINT OF REVERSE CURVE;
3. ON THE ARC OF A CURVE TO THE RIGHT HAVING A DELTA OF 15°19'05", A RADIUS OF 560.00 FEET AND A DISTANCE OF 149.72 FEET TO A POINT ON CURVE;
4. N38°00'00"W, A DISTANCE OF 141.67 FEET;
5. S88°20'00"W, A DISTANCE OF 587.56 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY OF SAID STATE HIGHWAY 83;

THENCE ON SAID EASTERLY RIGHT OF WAY THE FOLLOWING (3) THREE COURSES;

1. N01°41'53"W, A DISTANCE OF 446.49 FEET;
2. N00°02'53"W, A DISTANCE OF 245.49 FEET TO A POINT ON CURVE;
3. ON THE ARC OF A CURVE TO THE RIGHT WHOSE CENTER BEARS S87°06'46"E, HAVING A DELTA OF 07°31'38", A RADIUS OF 1380.65 FEET AND A DISTANCE OF 181.38 FEET TO A POINT ON CURVE, SAID POINT BEING THE SOUTHWESTERLY CORNER OF HIGH FOREST RANCH FILING NO. 1, RECORDED UNDER RECEPTION NO. 201036672, SAID POINT ALSO BEING ON THE NORTH LINE OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 34, TOWNSHIP 11 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO;

THENCE N89°54'54"E, ON THE SOUTHERLY BOUNDARY OF SAID HIGH FOREST RANCH FILING NO. 1, AND SAID NORTH LINE OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 34, A DISTANCE OF 584.61 FEET TO THE EAST SIXTEENTH CORNER OF SAID SECTION 34;
THENCE S89°57'36"E, ON THE NORTH LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 34 AND CONTINUING ON SAID SOUTHERLY BOUNDARY OF HIGH FOREST RANCH FILING NO. 1, A DISTANCE OF 1319.30 FEET TO THE NORTHEAST CORNER OF SAID SECTION 34;
THENCE N89°46'13"E, CONTINUING ON SAID SOUTHERLY BOUNDARY OF HIGH FOREST RANCH FILING NO. 1 AND ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 35, TOWNSHIP 11 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, A DISTANCE OF 2660.56 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 35;
THENCE N89°45'50"E, CONTINUING ON SAID SOUTHERLY BOUNDARY OF HIGH FOREST RANCH FILING NO. 1, ON THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 35 AND THE SOUTHERLY BOUNDARY OF HIGH FOREST RANCH FILING NO. 2, RECORDED UNDER RECEPTION NO. 202134767, A DISTANCE OF 2048.33 FEET;

THENCE ON SAID SOUTHERLY BOUNDARY OF HIGH FOREST RANCH FILING NO. 2, THE FOLLOWING (5) FIVE COURSES:

1. N44°21'15"E, A DISTANCE OF 120.12 FEET;
2. N27°42'44"E, A DISTANCE OF 30.37 FEET;
3. N83°51'56"E, A DISTANCE OF 62.76 FEET;
4. S79°32'21"E, A DISTANCE OF 69.45 FEET;
5. S46°40'23"E, A DISTANCE OF 153.82 FEET TO A POINT ON SAID NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 35;

THENCE N89°48'10"E, ON SAID SOUTHERLY BOUNDARY OF HIGH FOREST RANCH FILING NO. 2 AND SAID NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 35, A DISTANCE OF 270.47 FEET TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 70.926 ACRES.

CONTAINING A TOTAL CALCULATED AREA OF 1.417.751

LEGAL DESCRIPTION STATEMENT:

I, DOUGLAS P. REINELT, A LICENSED PROFESSIONAL LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY STATE THAT THE ABOVE LEGAL WAS PREPARED UNDER MY RESPONSIBLE CHARGE AND ON THE BASIS OF MY KNOWLEDGE, INFORMATION AND BELIEF, IS CORRECT.


DOUGLAS P. REINELT, PROFESSIONAL LAND SURVEYOR
COLORADO P.L.S. NO. 10418 AND 30418
FOR AND ON BEHALF OF CLASSIC CONSULTING
ENGINEERS AND SURVEYORS

MARCH 15, 2016
DATE