

**AMENDMENT #1 TO
DEVELOPMENT AGREEMENT**

This Amendment to Development Agreement, made and entered into this 11th day of August, 1999, by and between the City of Fort Collins, Colorado, a Municipal Corporation, hereinafter referred to as the "City" and Robert and Sally Castner, individuals, hereinafter referred to as the "Developer."

WITNESSETH:

WHEREAS, the City and the Developer entered into a Development Agreement on September 28, 1998, the terms of which govern all development activities of the Developer pertaining to that certain real property owned by the Developer, situate in the County of Larimer, State of Colorado (hereinafter referred to as the "Property") and legally described as follows, to wit,

Lots 1, 15, and the south 40 feet of Lot 2, Block 132 (a.k.a 226 Remington),
City of Fort Collins, County of Larimer, State of Colorado.

WHEREAS, the terms of the Development Agreement require the Developer to make certain on-site and off-site improvements to the alley as shown on the approved utility plans for the Property; and

WHEREAS, the City desires to perform maintenance to the sewer lines located in the alley, which maintenance will require the City to make certain alley improvements both adjacent to and off-site from the Property; and

WHEREAS, in order to facilitate the efficient and expeditious completion of the sewer line maintenance and alley improvements, the City and the Developer agree that the City shall assume the Developer's obligations to construct the alley improvements shown on the approved utility plans in exchange for the payment of \$5,775.00 from the Developer, which amount is equal to the estimates obtained by the Developer for such work.

NOW, THEREFORE, in consideration of the promises of the parties hereto and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, it is agreed that the following section of the Development Agreement shall be amended to read:

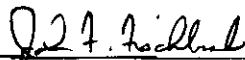
II. Special Conditions.

D. Streets.

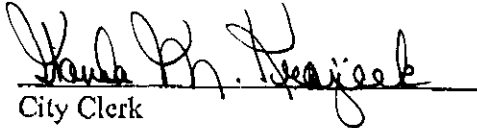
2. The City shall design and install all on-site and off-site curb, gutter, and pavement in the alley adjacent to the Property as shown on the approved utility plans, and shall perform all excavation and grading necessary for the installation of such improvements. The Developer is relieved of its obligation to design and construct such improvements pursuant to the approved final development plans for the Property, and further, Developer is released from any obligation related to the improvements,

including, but not limited to the obligation to warrant said construction under provisions of the City Code. The City shall hold the Developer harmless and indemnify the Developer from any claims related to or resulting from the design, installation, construction, maintenance or operation of the improvements. As consideration therefor, the Developer shall pay the sum of \$5,775.00 to the City upon the execution of this Amendment and shall be thereupon entitled to a release of that portion of the First State Bank of Fort Collins, Irrevocable Letter of Credit No. 81, dated September 25, 1998, deposited as security to guarantee completion of the alley improvements described above.

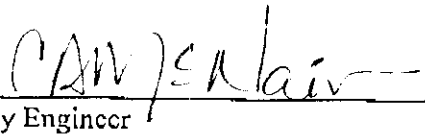
THE CITY OF FORT COLLINS, COLORADO
a Municipal Corporation

By: 
City Manager


ATTEST:


City Clerk

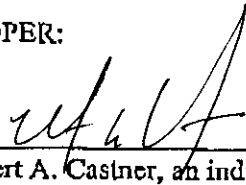
APPROVED AS TO CONTENT:

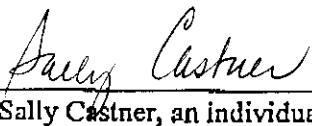

City Engineer

APPROVED AS TO FORM:


Deputy City Attorney

DEVELOPER:

By: 
Robert A. Castner, an individual

By: 
Sally Castner, an individual