

OPTION AGREEMENT FOR PARKING PERMITS

THIS OPTION AGREEMENT FOR PARKING PERMITS, is entered into this 2nd day of July, 2004, by and between the CITY OF FORT COLLINS, COLORADO ("City") and FRONT RANGE LAND RESOURCES, INC. a Colorado corporation ("Front Range").

IN CONSIDERATION of the payment by Front Range to the City of the sum of One Thousand Five Hundred and no/100 Dollars (\$1,500.00), the receipt of which is hereby acknowledged, which sum is hercafter referred to as the "Option Payment" the City hereby grants to Front Range an option to purchase up to fifty (50) parking permits for the Oak/Remington Parking Lot at the market rate for such parking spaces as it exists on June 1, 2005. Accordingly, although the City may sell permits for the said fifty (50) parking spaces for usage prior to June 1, 2005, the permits must become immediately available to Front Range commencing June 1, 2005 in the event that Front Range elects to exercise this option. In order to exercise this option, Front Range must give written notice to the City on or before May 1, 2005, of its intent to so exercise the option. If the option is timely exercised, then the City shall assemble the parking permits so that they are ready for delivery by June 1, 2005. If Front Range fails to timely exercise the option, then the permits shall immediately become available for the City to sell to other parties and the Option Payment shall be forfeited to the City.

Any permits purchased by Front Range under the terms of this Option shall carry the same rights, privileges and obligations as any other permit in the Oak/Remington Parking Lot but no additional rights or privileges (such as reserve spaces or signs identifying the lessee). Furthermore, the City makes no assurances that, by the sale of the aforesaid permits, the developer's Land Use Code requirements for the supply of parking are satisfied.

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

THE CITY OF FORT COLLINS, a Colorado municipal corporation

By: [Signature]
City Manager

Attest:

[Signature]
City Clerk

Approved as to form:

[Signature]
Deputy City Attorney

[Signature]

FRONT RANGE LAND RESOURCES, INC.,
a Colorado Corporation

By:



~~Michael Tilley, President~~
GEORGE SATOCK, VICE-PRESIDENT
FRONT RANGE LAND RESOURCES, INC.

Attest:

Secretary

REVOCABLE PERMIT FOR OLD TOWN LOFTS BUILDING

KNOW ALL MEN BY THESE PRESENTS: That the Grantor **City of Fort Collins, a Colorado municipal corporation**, of the County of Larimer and State of Colorado, (the "City"), in consideration of **Ten Dollars (\$10.00)** in hand paid, receipt of which is hereby acknowledged, and other good and valuable consideration, does hereby grant to the Grantee **Front Range Land Resources Inc, a Colorado corporation**. ("the Permittee"), a nonexclusive, revocable permit authorizing the herein described use of, and access over, under and across the real property described on **Exhibits "A" through "E"** attached hereto and incorporated herein by this reference (the "Permit Area"); subject to the following conditions and requirements:

1. The Permittee shall be authorized to install and use the building components in the manner shown on existing **Exhibit "E"**, consisting of two pages, attached hereto and incorporated herein by this reference, and no other improvements (including signage) shall be installed by the Permittee in the Permit Area.
2. Installation of the building components shall follow all conditions as set forth in the Development Construction Permit issued by the City of Fort Collins Engineer. Construction and maintenance of said components shall be the responsibility of the Permittee or its successors.
3. The Permittee hereby agrees that, in consideration of the granting of this Permit, the Permittee shall promptly pay any taxes and assessments which may be levied, charged or imposed upon or against the premises as described in Exhibits A through E above, when due.
4. The Permittee shall be solely responsible for and shall defend, indemnify, keep and save harmless the City, its officers, agents and employees against any and all injuries, deaths, losses, damages, claims, suits or causes of action of any kind whatsoever which may hereafter arise, relating to or in any way arising from or as a consequence of the granting of this permit, or from any work performed hereunder, whether or not it shall be alleged or determined that the act or omission was caused by negligence of the Permittee or the Permittee's employees, or of any contractor or subcontractor or their employees, if any, or of the City or its officers, agents and employees. The Permittee shall, at the Permittee's sole expense, appear, defend and pay all charges of attorneys and all costs and other expenses arising therefrom or incurred in connection therewith, and, if judgment shall be rendered against the City, its officers, agents or employees, in any such action, the Permittee shall, at the Permittee's sole expense, satisfy and discharge the same.
5. The Permittee, prior to issuance of any certificate of occupancy for the development, shall provide the City with evidence of general liability insurance covering and pertaining to the subject premises of this Permit, in the

amount of One Million Dollars (\$1,000,000.00) per occurrence in conjunction with an aggregate amount of Two Million Dollars (\$2,000,000.00), and naming the City as an additional insured on all such policies. All insurance required hereunder shall be issued by an insurance company authorized to do business in Colorado which meets all of the requirements of the Division of Insurance for that purpose. Upon each yearly renewal of the Permittee's general liability insurance policy, the Permittee shall provide to the City proof of the insurance coverage required herein.

6. The Permittee expressly understands and agrees that any insurance protection required by this Permit shall in no way limit the responsibility of the Permittee to defend, indemnify, keep and save harmless the City as hereinabove provided.
7. It is further expressly understood that the City shall not be liable to the Permittee for any loss, cost or expense which the Permittee shall sustain by reason of any damage to its property or business caused by or growing out of the construction, repair, reconstruction, maintenance, existence, operation or failure of any of the sewers, structures, streets, sidewalks or other works or equipment of the City now located or to be constructed upon said premises or upon the property of the City adjacent to said premises, or by reason of the City's exercise of any other rights which may be necessary in furtherance of its municipal purpose.
8. The Permittee also agrees that, if the City incurs any additional expense for work which the City would not have to incur if this Permit had not been executed, then, in that event, the Permittee agrees to pay to the City such additional expense, as determined by the City Engineer, promptly upon rendition of bills therefor to the Permittee.
9. The Permittee expressly understands and agrees that, since College Avenue is a roadway under the jurisdiction of CDOT, CDOT has the authority to revise College Avenue in a manner that could require alteration of the encroachments or termination of this Permit as it affects College Avenue. Likewise, Oak Street is a roadway under the jurisdiction of the City and the City has the authority to revise Oak Street in a manner that could require alteration of the encroachments or termination of this Permit as it affects Oak Street.
10. This revocable permit is issued to the Permittee in connection with the development by the Permittee of the Old Town Lofts Building Development. The Permittee shall record a Declaration of Covenants, Conditions and Restrictions of Old Town Lofts Building ("Condominium Declaration") for the development site adjacent to the land which is the subject matter of this revocable permit, which Condominium Declaration shall make specific mention of the existence and general content of this revocable permit. The

Condominium Declaration shall provide for the creation of a condominium association pursuant to the Condominium Declaration (“Condominium Association”), which Condominium Association shall, among its other duties, assume and discharge the obligations of the Permittee pursuant to this revocable permit. Upon the recordation of the Condominium Declaration, (i) this revocable permit shall be deemed transferred from the original Permittee to the Condominium Association; (ii) the Condominium Association shall assume all duties and obligations of the Permittee hereunder; and (iii) Front Range Land Resources, a Colorado corporation, shall be released of any duties, obligations and liabilities pursuant to this revocable permit which arise subsequent to the recordation of the Condominium Declaration. Such transfer, assignment, assumption and release shall be self-effectuating and shall take effect automatically upon the recording of the Condominium Declaration. Upon request by the City, the Condominium Association shall execute such documents as shall be requested by the City to further evidence such assignment and assumption of the duties and liabilities hereunder.

11. Inasmuch as the permit area remains public right-of-way, no person shall consume alcohol or engage in any other behavior in this permit area which would constitute a violation of the City Code.
12. The Permittee covenants and agrees that it shall strictly comply with any and all federal, state, county or municipal statutes, laws, ordinances and regulations which in any manner affect this Permit and any work done hereunder, or which control or limit in any way the actions of the Permittee its agents, servants and employees, or of any contractor or subcontractor or their employees.
13. The Permittee covenants and agrees that upon revocation of this Permit as hereinabove provided, the Permittee shall at no cost to the City, remove or cause to be removed any and all improvements, structures, facilities, equipment, debris, or other things erected or placed upon said premises, and will yield up said premises to the City in as good condition as when the same was entered upon by the Permittee. Upon the Permittee’s failure to do so, the City may do so at the sole expense and cost of the Permittee.
14. This Permit constitutes the entire understanding of the parties hereto, and there are no oral or any other written understandings pertaining to the subject matter hereof.

This Revocable Permit is issued in accordance with Sec. 23-83 of the City Code, which authorizes the City Manager of the City of Fort Collins to permit the use or occupation of any street, alley, or public place. This permit shall be revocable by the City Manager at his pleasure as is authorized pursuant to Sec. 23-83 (d) of the City Code.

WITNESS OUR HAND (S) AND SEAL (S) this 25th day of January, 2005.

GRANTOR:

THE CITY OF FORT COLLINS, COLORADO
a municipal corporation

By: _____
Darin Atteberry, City Manager

ATTEST:

Wanda Krajcieck, City Clerk

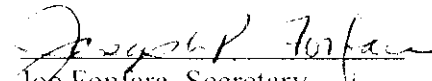
APPROVED AS TO FORM:

W. Paul Eckman, Deputy City Attorney

GRANTEE:

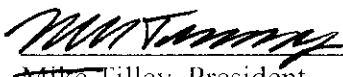
FRONT RANGE LAND RESOURCES INC.
a Colorado corporation

ATTEST:



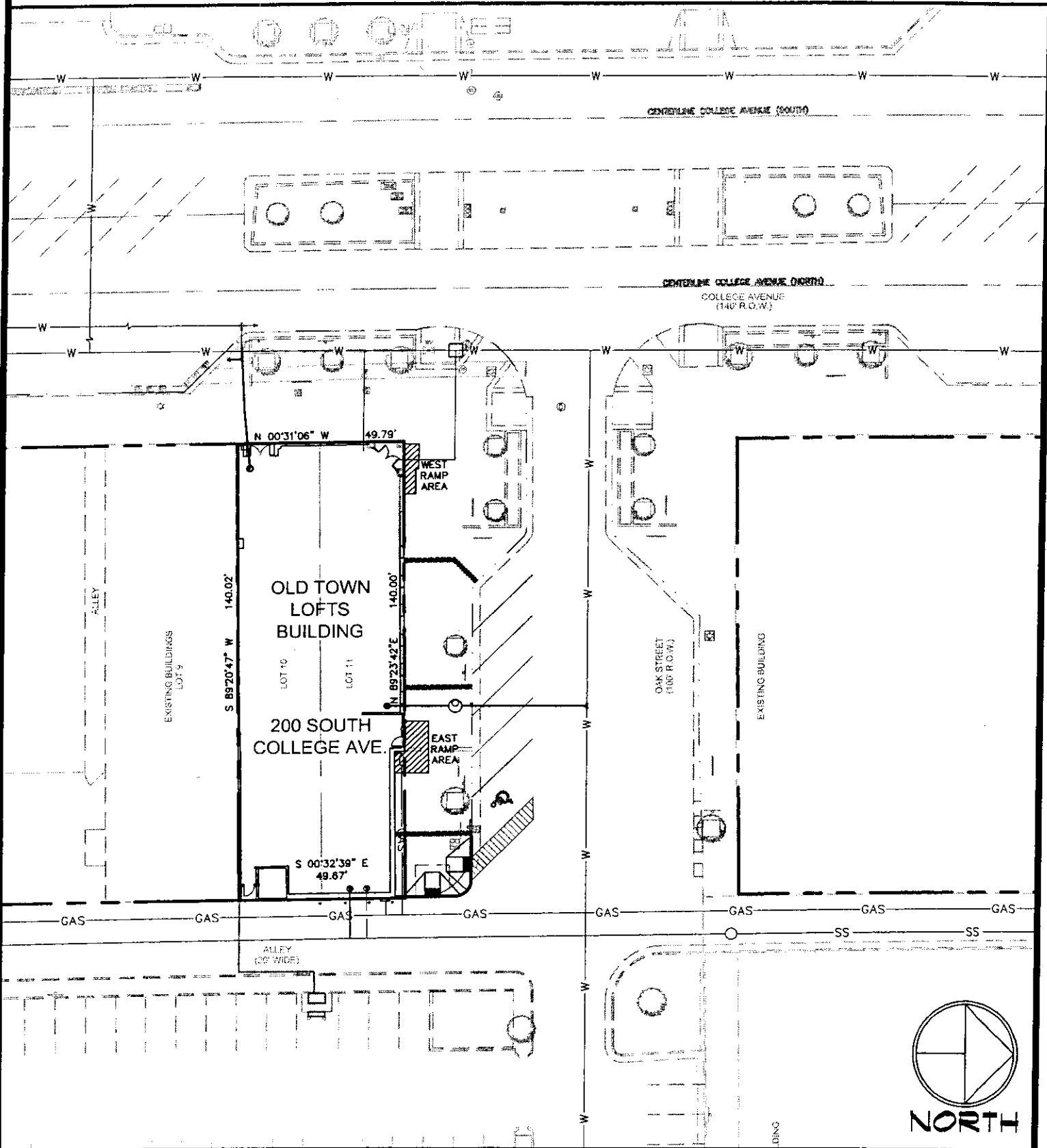
Joe Fonfara, Secretary

By:



Mike Tilley, President
Michael F. Tilley

SITE PLAN EXHIBIT FOR ENCROACHMENT PERMIT



N **NORTHERN ENGINEERING SERVICES, INC**

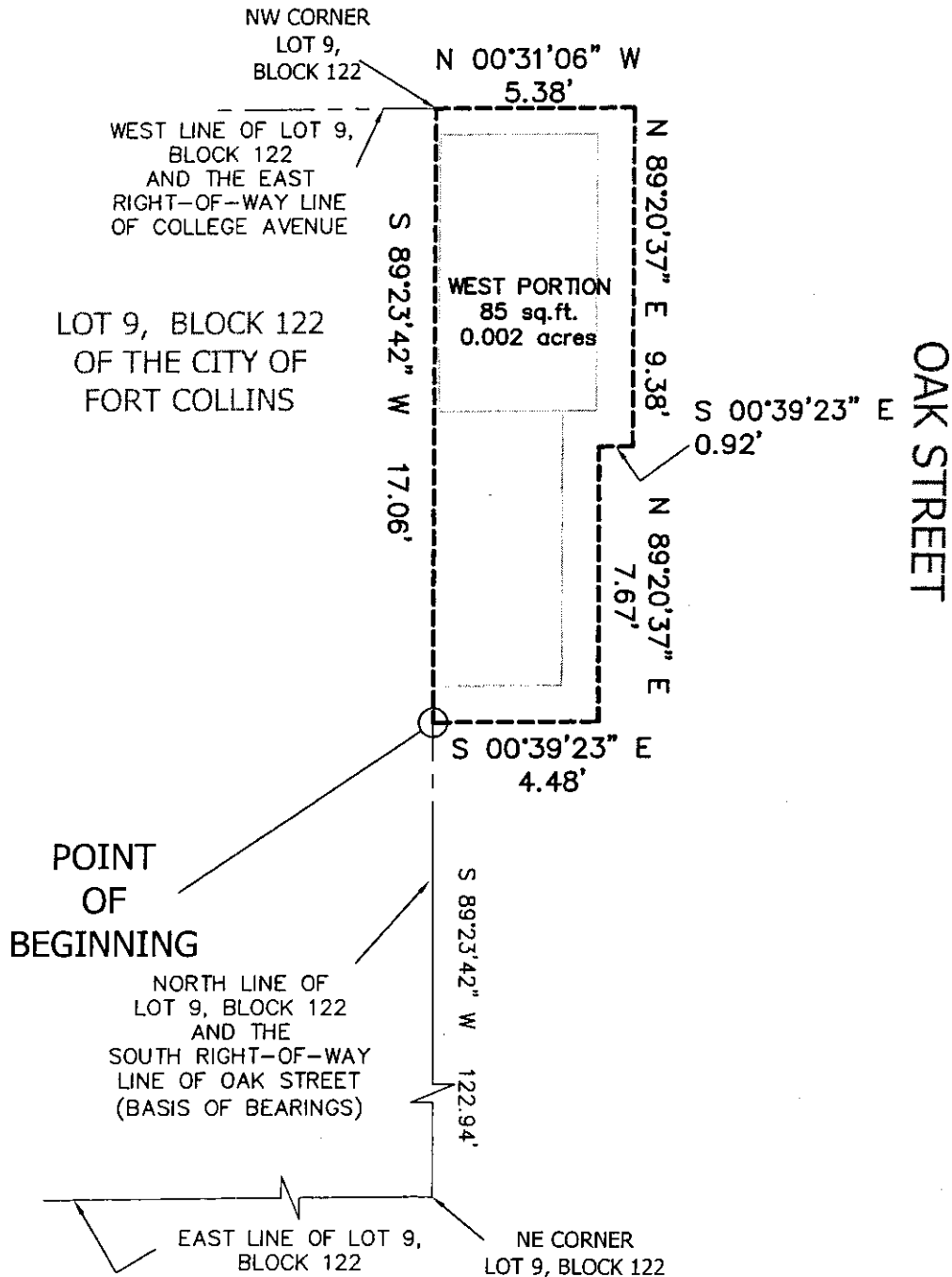
420 South Howes Street, Suite 202, Fort Collins, Colorado 80521
 Phone: (970) 221-4158, Fax: (970) 221-4159
 www.northernengineering.com

OLD TOWN LOFTS BUILDING
200 SOUTH COLLEGE AVE.

DRAWN BY: N. Haws	SHEET NO:
SCALE: 1in=40ft	SKT-1
ISSUED: 30-DEC-04	

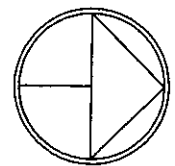
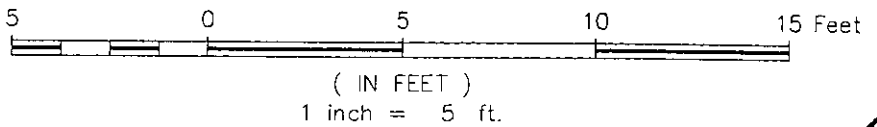
EXHIBIT A
(WEST PORTION)

COLLEGE AVENUE



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N **NORTHERN ENGINEERING SERVICES, INC.**
 420 South Howes Street, Suite 202, Fort Collins, Colorado 80521
 Phone: (970) 221-4158, Fax: (970) 221-4159
 www.northernengineering.com





**NORTHERN
ENGINEERING
SERVICES, INC.**

420 SOUTH HOWES, SUITE 202
FORT COLLINS, COLORADO 80521
970.221.4158
FAX 970.221.4159

EXHIBIT B

LEGAL DESCRIPTION: WEST RAMP AREA

An area being a portion of the Right-of-Way of Oak Street, City of Fort Collins, State of Colorado being more particularly described as follows:

Considering the North line of Lot 9, Block 122 of the City of Fort Collins as bearing South 89°23'42" West and with all bearings contained herein relative thereto:

Commencing at the Northeast corner of said Lot 9; thence, along the North line of said Lot 9 and the South Right-of-Way line of said Oak Street, South 89°23'42" West, 122.94 feet to the **POINT OF BEGINNING**; thence continuing along said line, South 89°23'42" West, 17.06 feet to the Northwest corner of said Lot 9; thence, North 00°31'06" West, 5.38 feet; thence, North 89°20'37" East, 9.38 feet; thence, South 00°39'23" East, 0.92 feet; thence, North 89°20'37" East, 7.67 feet; thence, South 00°39'23" East, 4.48 feet to the **POINT OF BEGINNING**.

The above described area contains 85 square feet or 0.002 acres more or less and is subject to all easements and rights-of-way now on record or existing.

December 22, 2004

.jaa

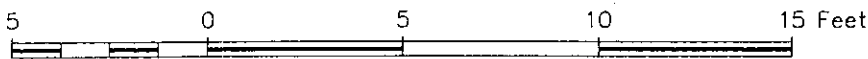
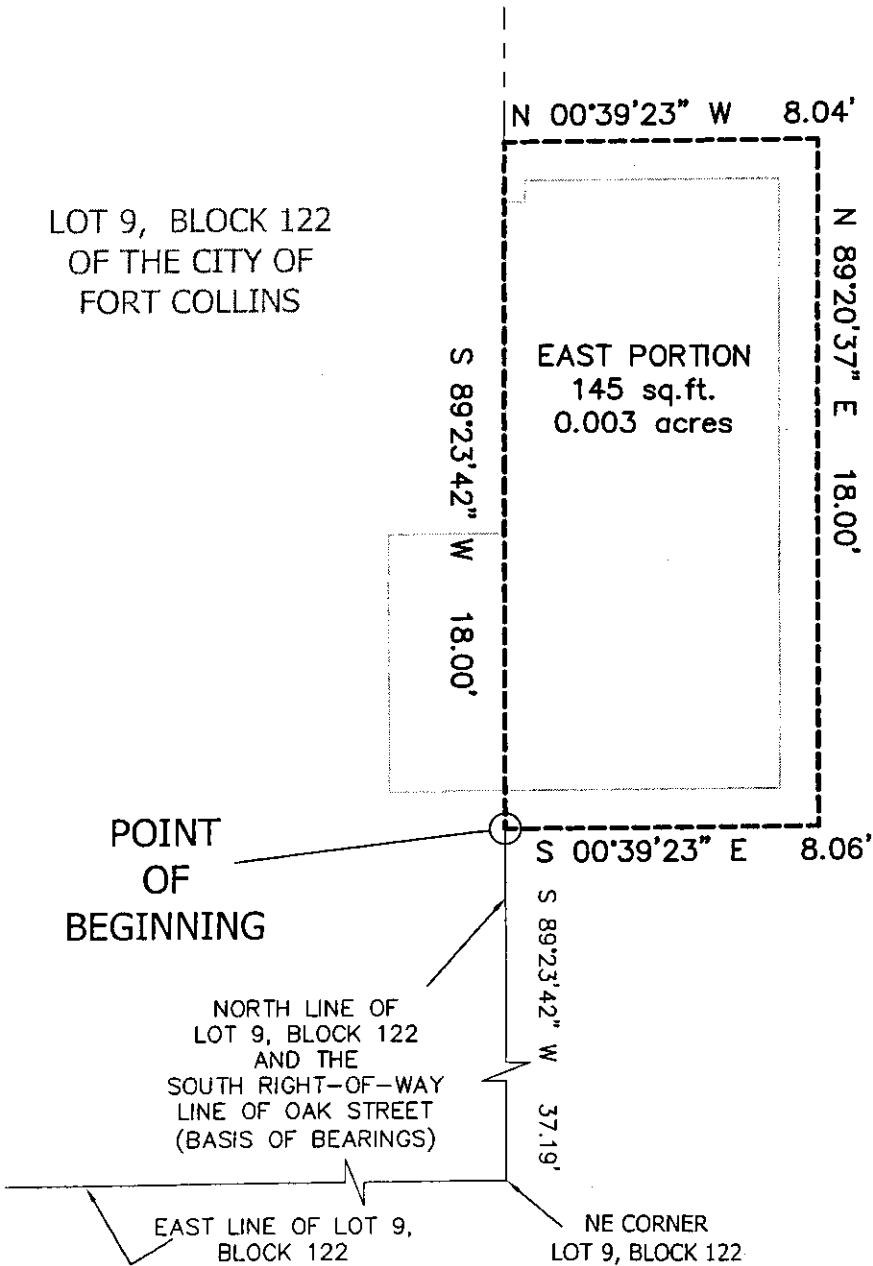
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EXHIBIT C
(EAST PORTION)

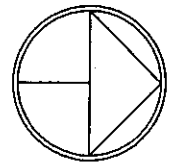
LOT 9, BLOCK 122
OF THE CITY OF
FORT COLLINS

OAK STREET

EAST PORTION
145 sq.ft.
0.003 acres



(IN FEET)
1 inch = 5 ft.



N **NORTHERN**
ENGINEERING
SERVICES, INC.
420 South Howes Street, Suite 202, Fort Collins, Colorado 80521
Phone: (970) 221-4158, Fax: (970) 221-4159
www.northernengineering.com

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**NORTHERN
ENGINEERING
SERVICES, INC.**

420 SOUTH HOWES, SUITE 202
FORT COLLINS, COLORADO 80521
970.221.4158
FAX 970.221.4159

EXHIBIT D

LEGAL DESCRIPTION: EAST RAMP AREA

An area being a portion of the Right-of-Way of Oak Street, City of Fort Collins, State of Colorado being more particularly described as follows:

Considering the North line of Lot 9, Block 122 of the City of Fort Collins as bearing South 89°23'42" West and with all bearings contained herein relative thereto:

Commencing at the Northeast corner of said Lot 9; thence, along the North line of said Lot 9 and the South Right-of-Way line of said Oak Street, South 89°23'42" West, 37.19 feet to the **POINT OF BEGINNING**; thence, continuing along said line, South 89°23'42" West 18.00 feet; thence, departing said line, North 00°39'23" West, 8.04 feet; thence, North 89°20'37" East, 18.00 feet; thence, South 00°39'23" East, 8.06 feet to the **POINT OF BEGINNING**.

The above described area contains 145 square feet or 0.003 acres more or less and is subject to all easements and rights-of-way now on record or existing.

December 22, 2004

jaa

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EXHIBIT F

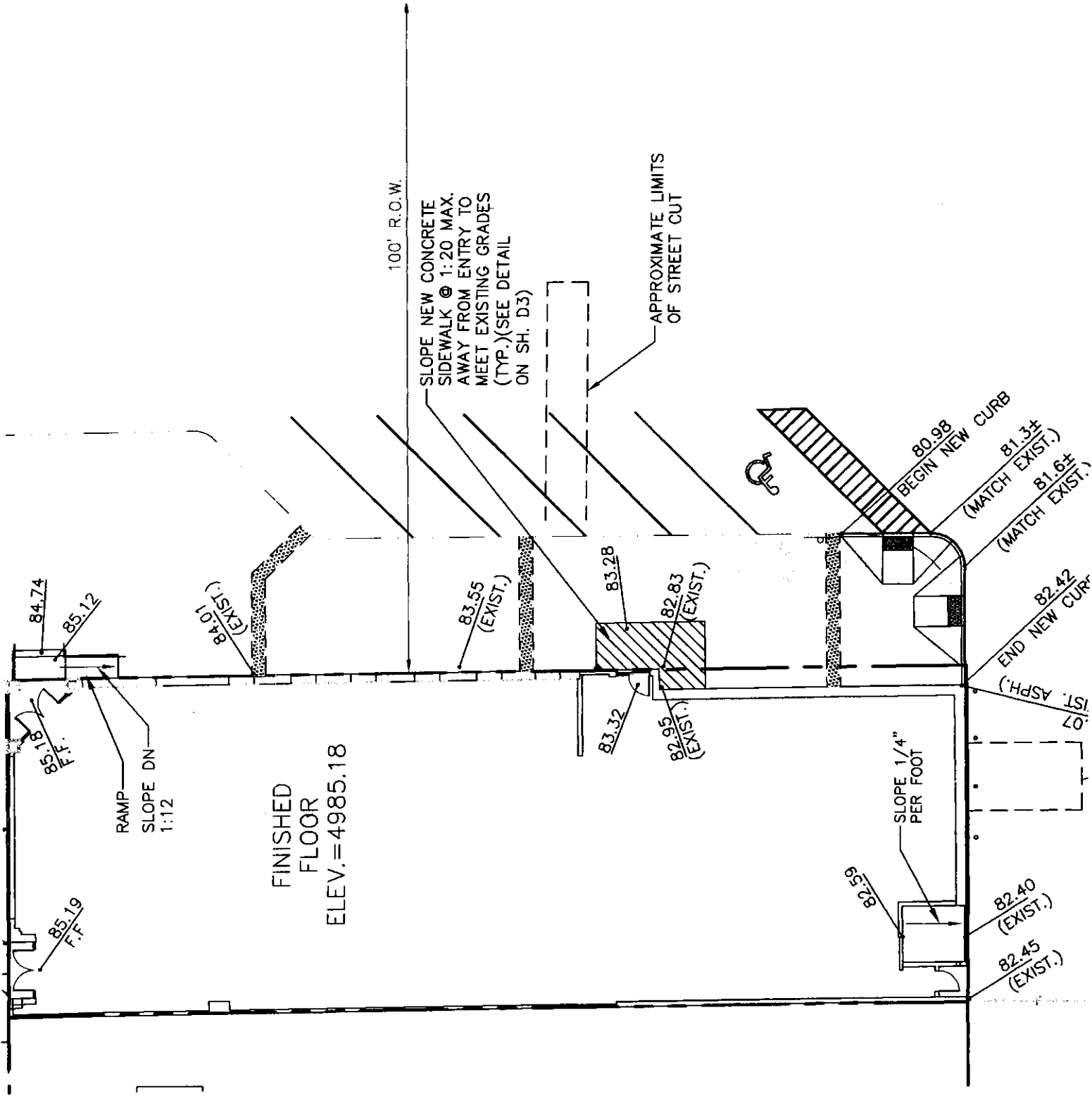


EXHIBIT E

OAK STREET

COLLEGE AVENUE

SITE - ENCROACHMENT PLAN

1

SCALE: 1" = 10'-0"

EXISTING TREES, PLANTERS, PAVING, ETC. TO REMAIN U.O.N.

NEW CONCRETE STEPS, LANDING AND RAMP

99.28 ELEV.

99.42 ELEV.

99.68 ELEV.

99.23 ELEV.

99.56 ELEV.

99.94 ELEV.

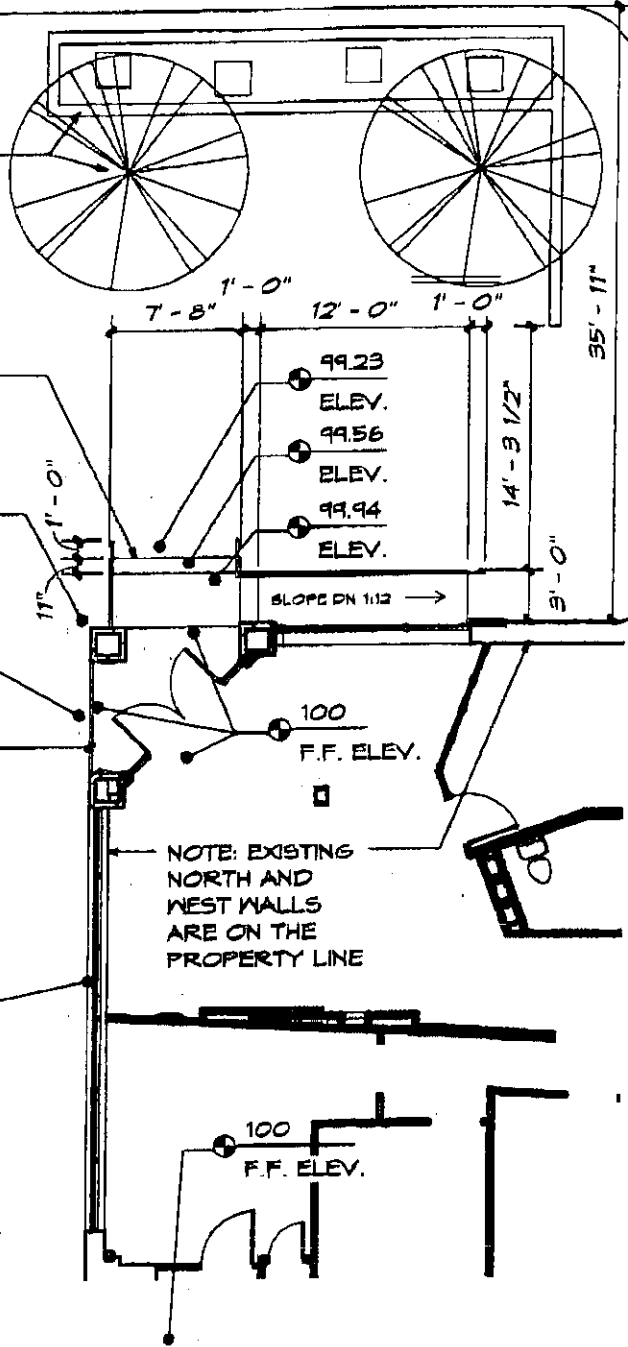
100 F.F. ELEV.

100 F.F. ELEV.

NOTE: EXISTING NORTH AND WEST WALLS ARE ON THE PROPERTY LINE

BIKE RACK

SLOPE DN 1:12



VAUGHT • FRYE



ARCHITECTS

ARCHITECTURE INTERIOR DESIGN

401 West Mountain Avenue Suite 200 Fort Collins, CO 80521
fax 970/224.1662 phone 970/224.1191 www.vaughtfrye.com

OLD TOWN LOFTS BUILDING

ENCROACHMENT PLAN

Project number 2004-18

Date 11/12/04

Ref. Sheet # AS.1

Checked by BM

SD-1.1

Scale 1" = 10'-0"

UTILITY PERMIT W/ ROGER BUFFINGTON / THIS PERMIT IS NOT REQ'D

COLORADO DEPARTMENT OF TRANSPORTATION
UTILITY / SPECIAL USE PERMIT APPLICATION

Please print or type **PER**
EVAN

Instructions: Complete this form, attach all required documents, and submit it to the appropriate Permit Office. To determine which documents are required, refer to the reverse side of this form and/or contact the Permit Office. **You must submit all required documents or the application will be deemed to be incomplete and will not be accepted.** Please do not FAX completed forms or documents.

Permittee: property or utility owner
 Name **CITY OF FORT COLLINS**
 Address _____
 Contact person _____ Telephone _____

Applicant if other than permittee
 Name **NORTHERN ENGINEERING SERVICES**
 Address **420 S. HOWES STE 202 FORT COLLINS CO 80521**
 Contact person **KIMBERLY DALL** Telephone **970 221 4158**

Activity Description: (furnished by permittee)

Purpose of Utility Permit
 Installation Adjust/relocation Removal Maintenance or existing facility

Facility (type, size, class of transmittant, design pressure or potential, etc.)
6" PVC FIRE SERVICE 2" COPPER WATER SERVICE

Nature of Installation
 Longitudinal (parallel) Buried* Attach to Highway Structure #:
 Transverse (crossing) Aerial/Ground-mounted

Purpose if for other than Utility Permit (i.e. Special Use Permit)
 Landscaping Survey Spill Cleanup Site Restoration
 Construction within right-of-way Other (describe) _____

State Highway No. **287 (College Ave)** County **LARIMER** City/Town **FORT COLLINS**

Location relative to SH milepost(s) _____

Location relative to intersecting feature(s), e.g., cross street, str. #, etc.
SOUTH EAST CORNER of 287 (College Ave) & OAK STREET

Intended start date and planned duration of work _____

Additional remarks _____

If Permittee will own or operate underground facilities in State Highway rights-of-way: Indicate contact person for underground location information: _____ Telephone _____

*Notice to Excavators: You must notify owners or operators of underground utilities at least two (2) business days prior to making or beginning excavations in the vicinity of such utilities, as required under Section 9-1.5-103, CRS. CALL UTILITY NOTIFICATION CENTER OF COLORADO (UNCC), 1-800-922-1987, FOR MARKING OF MEMBER UTILITIES. Contact non-member utilities directly.