



WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3

Regular Board Meeting

Wednesday, June 5, 2024 – 1:00 p.m.

119 N. Wahsatch Avenue
Colorado Springs, Colorado 80903
- and -

<https://video.cloudoffice.avaya.com/join/048510349>

United States: [+1 \(213\) 463-4500](tel:+12134634500)

Access Code: 048-510-349

Woodmen Heights Metropolitan District No. 1 & No. 3

Board of Director	Title	Term
Les Krohnfeldt	President	May 2025
Randle W Case II	Vice-President/ Treasurer	May 2027
Jim Morley	Secretary	May 2027 (appointment to May 2025)
Kyle Geditz	Assistant Secretary	May 2025
Jack Amberg	Assistant Secretary	May 2027 (appointment to May 2025)

Woodmen Heights Metropolitan District No. 2

Board of Director	Title	Term
Les Krohnfeldt	President	May 2025
Randle W Case II	Vice-President/ Treasurer	May 2027
Kyle Geditz	Secretary	May 2027 (appointment to May 2025)
Jack Amberg	Assistant Secretary	May 2025
Jim Morley	Assistant Secretary	May 2027 (appointment to May 2025)

AGENDA

1. Call to order
2. Declaration of Quorum/ Director Qualifications/ Disclosure Matters
3. Approval of Agenda
4. Approval of the April 3, 2024, Joint Meeting Minutes (enclosure)
5. Financial Matters
 - a. Consider Approval of Unaudited Financial Statements as of April 30, 2024 (enclosure)
 - b. Ratify and consider Approval of Payables through June 4, 2024 (enclosure)
 - c. District Nos 2 and 3, 2023 Audit Review Meeting Schedule
6. District Manager Report
 - a. Authentix at Wolf Ranch Opt-Out
 - b. D-20 School site discussion
 - c. Update on Underdrain Maintenance
 - d. Review and Consider approval for Banyan Park re-seeding proposal (enclosed)
 - e. Review and ratify approval for Concrete Fence Repairs in Cumbre Vista
 - f. Update on Mailbox Kiosk concern
7. Aspen Meadows Park Update and Review
 - a. Award bid and contract to Fisk Landscaping
 - b. Review Budget and consider authorization of Additional Funds

8. Development Updates
 - a. 11 pending commercial projects, 2 pending commercial plans (changes), 5 pending multifamily, 3 pending single-family plat, 1 pending mixed-use, and 1 pending annexation
9. Public Comment (for items not already on the agenda)
10. Legal Matters
 - a. Discuss and ratify approval of Agreement for Payment of Marksheffel Bridge Contribution (enclosed)
 - b. Review and consider adoption of Amended and Restated Resolution Concerning the \$500 Bridge Fee(enclosed)
 - c. Review and consider the adoption of Amended and Restated Resolution Concerning the \$1,700 Aspen Meadow Park (enclosed)
 - d. Review and consider the adoption of Third Amended and Restated Resolution Concerning the Facility Platting Fee \$5,500 (enclosed)
 - e. Discussion and update for District No. 1 dissolution and City consent
 - f. Discussion of Website ADA Compliance Status
11. Adjourn:
 - a. Next Meeting Date – July 3, 2024, at 1:00 pm.

NOTICE OF REGULAR MEETINGS

NOTICE IS HEREBY GIVEN That the Boards of Directors of **WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3**, City of Colorado Springs, County of El Paso, State of Colorado, will hold a regular meeting at 1:00 p.m. on Wednesday, the 5th day of June 2024 at 119 N. Wahsatch Ave, in Colorado Springs, Colorado, and via tele/videoconference <https://video.cloudoffice.avaya.com/join/048510349> or dial [+1 \(213\) 463-4500](tel:+12134634500) **Access Code:** 048-510-349 for the purpose of conducting such business as may come before the Boards including the business on the attached agenda. Regular joint meetings for 2024 are on the first Wednesday of every month at 119 N. Wahsatch Ave, in Colorado Springs, Colorado, and via televideo conference so long as there is business to conduct. The regular meetings may be canceled. Please call (719) 447-1777 for meeting confirmation and information. The meeting is open to the public.

BY ORDER OF THE BOARDS OF DIRECTORS: WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 AND 3





**MINUTES OF A JOINT REGULAR MEETING
OF THE BOARDS OF DIRECTORS OF THE
WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 AND 3
APRIL 3, 2024 AT 1:00 P.M.**

Pursuant to posted notice, the joint regular meeting of the Boards of Directors of the Woodmen Heights Metropolitan District Nos. 1, 2 and 3 was held on Wednesday, April 3, 2024, at 1:00 p.m., at 119 Wahsatch Avenue, Colorado Springs, Colorado 80903, and via video teleconference.

In attendance were Directors:

Les Krohnfeldt, President
James Morley, Secretary (arrived late)
Randle W. Case II, Vice President/Treasurer
Jack Amberg, Asst. Secretary
Kyle Geditz, Asst. Secretary (Absent)

Also in attendance were:

Rebecca Harris, WSDM
Kevin Walker, WSDM
Rylee DeLong, WSDM
K. Sean Allen, Esq., White Bear Ankele Tanaka & Waldron

Combined Meeting:

The Boards of Directors of the Districts have determined to hold a joint meeting of the Districts and to prepare joint minutes of actions taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be the action of all Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

1. Call to Order: The meeting was called to order at 1:00 p.m. by President Krohnfeldt.
2. Declaration of Quorum/Director Qualifications/Disclosure Matters: President Krohnfeldt indicated that a quorum of the Boards was present and stated that each Director has been qualified as an eligible elector of the Districts pursuant to Colorado law. The Directors confirmed their qualification. Mr. Allen advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Walker reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Boards 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. Allen inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the

meeting. No additional disclosures were noted. The Boards determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

3. Approval of the Agenda: Director Amberg moved to approve the Agenda as presented; seconded by Director Case II. Motion passed unanimously.
4. Approval of the March 6, 2024 Joint Meeting Minutes: After review, Director Amberg moved to approve the March 6, 2024 Joint Meeting Minutes; seconded by Director Case II. Motion passed unanimously.
5. Financial Matters
 - a. Consider Approval of Unaudited Financial Statements as of March 31, 2024: Ms. Harris presented the Unaudited Financial Statements as of March 31, 2024. After review, Director Amberg moved to accept the Unaudited Financial Statements as presented; seconded by Director Case II. Motion passed unanimously. Director Morley joined the meeting.
 - b. Ratify and Consider Approval of Payables through April 3, 2024: After review, Director Case II moved to ratify the payables through April 3, 2024; seconded by Director Amberg. Motion passed unanimously.
 - c. Discuss 2023 Audits and Exemption Status: Mrs. Harris informed the Board District No. 1 Exemption was filed with the state and the Audit process has began for District No. 2 and No. 3
6. District Manager Report
 - a. Authentix at Wolf Ranch Opt-Out: Ms. Harris reported that they have not heard back from Authentix at Wolf Ranch since the proposed opt-out cost was sent. Ms. Harris, reviewed the new GIS mapping system that WSDM is now implementing for Managing the various items within the Metropolitan District. The Board asked for some PDF prints of the various maps be sent to the board.
 - b. Aspen Meadows Park Update and Review: Mr. Walker provided an update on the new Aspen Meadows park. BIDs open April 16th and we have received 6 companies interested in the BID package.
 - c. D-20 School site discussion: Mr. Walker update the Board that him and Director Amberg did have discussion with D20 Rep and they are continuing to push back on the Metro Board to continue to maintain based on agreement. Director Amberg gave some ideas to D20.
 - d. Review Park Inspection Memo and consider approval of recommended repairs: Mrs. Harris reviewed the Park inspection results and recommended repairs. After discussion Director Amber motioned to move forward with the recommended repairs; seconded by Director Morley. Motion passed unanimously.
 - e. Review Underdrain Memo and consider acceptance of Shiloh Mesa Filing No. 5: Ms. Harris reviewed the Underdrain Memo to the board. The Board discussed the process they would consider moving forward.
7. Development Updates: The Board discussed development updates. Ms. Harris reviewed a summary of current pending projects for both residents and commercial items.

8. Public Comment: There was no public comment.
9. Legal Matters
 - a. Discussion and update for District No. 1 dissolution and City consent: Mr. Walker gave an update on the City's position on requiring a Service Plan Amendment and his continued efforts to simplify that process.
10. Adjourn: Director Amberg moved to adjourn the meeting at 2:05 p.m.; seconded by Director Case II. Motion passed unanimously.

Mr. Walker wanted to inform the board that we are working through several Detention Ponds and the turn over. Ms. Harris gave an update on where she is on moving forward with the Mailbox concerns.

- a. Next Meeting Date: May 1, 2024 at 1:00 p.m.

Respectfully Submitted,

By: Recording Secretary



Woodmen Heights Metropolitan District #1

05/29/24

Balance Sheet

Accrual Basis

As of May 29, 2024

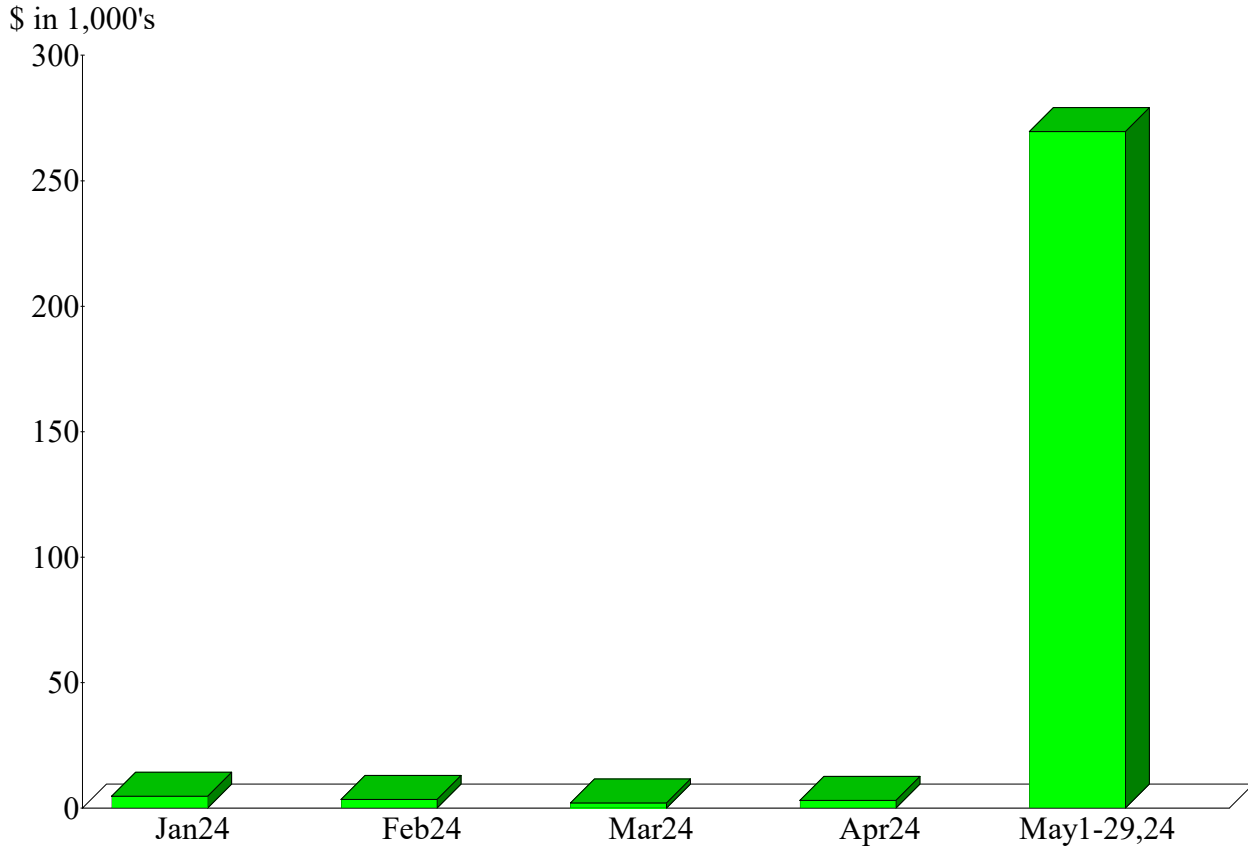
	May 29, 24
ASSETS	
Current Assets	
Checking/Savings	
Eastern Colorado Bank Checking	1,303,059.66
Total Checking/Savings	1,303,059.66
Total Current Assets	1,303,059.66
Fixed Assets	
1300 · Construction in Progress	
1329 · 51-29 Black Forest Park	428,567.04
1337 · 51-37 Landscape/Fence/Park 5.6	1,386,773.17
1340 · 51-40 Landscape/Fence/StreetW	910,647.47
1341 · 51-41 Landscape/Pocket Parks	165,522.00
Total 1300 · Construction in Progress	2,891,509.68
1540 · Accumulated Depreciation	-2,043,478.00
Total Fixed Assets	848,031.68
TOTAL ASSETS	2,151,091.34
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010 · Accounts Payable	3,171.88
Total Accounts Payable	3,171.88
Total Current Liabilities	3,171.88
Long Term Liabilities	
Due to Other Governments	289,547.00
Total Long Term Liabilities	289,547.00
Total Liabilities	292,718.88
Equity	
3000 · Opening Balance Equity	712,448.11
3910 · Retained Earnings	1,429,224.03
Net Income	-283,299.68
Total Equity	1,858,372.46
TOTAL LIABILITIES & EQUITY	2,151,091.34

Woodmen Heights Metropolitan District #1
Profit & Loss Budget vs. Actual
 January 1 through May 29, 2024

	TOTAL				
	May 1 - 29, 24	Jan 1 - May 29, 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Expense					
Copies & Postage	0.00	66.60	0.00	66.60	100.0%
Fees Due					
Bridge Fees	269,609.50	269,609.50	0.00	269,609.50	100.0%
Total Fees Due	269,609.50	269,609.50	0.00	269,609.50	100.0%
6160 · Dues and Subscriptions	0.00	250.50	500.00	-249.50	50.1%
6180 · Insurance	0.00	0.00	1,500.00	-1,500.00	0.0%
6570 · Professional Fees					
District Management	0.00	5,009.16	0.00	5,009.16	100.0%
6572 · Legal Fees	0.00	8,363.92	15,000.00	-6,636.08	55.76%
Total 6570 · Professional Fees	0.00	13,373.08	15,000.00	-1,626.92	89.15%
Total Expense	269,609.50	283,299.68	17,000.00	266,299.68	1,666.47%
Net Ordinary Income	-269,609.50	-283,299.68	-17,000.00	-266,299.68	1,666.47%
Net Income	-269,609.50	-283,299.68	-17,000.00	-266,299.68	1,666.47%

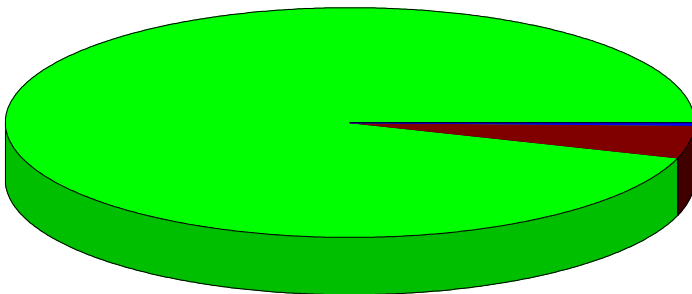
Income and Expense by Month
January 1 through May 29, 2024

Expense



Expense Summary
January 1 through May 29, 2024

Fees Due	95.17%
6570 · Professional Fees	4.72
6160 · Dues and Subscriptions	0.09
Copies & Postage	0.02
Total	\$283,299.68



By Account

Woodmen Heights Metropolitan District #2

05/29/24

Balance Sheet

Accrual Basis

As of May 29, 2024

	<u>May 29, 24</u>
ASSETS	
Current Assets	
Checking/Savings	
ECB - Operating	1,821,064.21
1112 · PNC Bank Reserve 9339	1,180,240.53
1111 · PNC Bank Loan 9048	1,726,366.25
UMB 2020B-1 Bond 394.1	591,277.62
UMB 2020B-1 Reserve 394.2	743,746.27
UMB 2020B-1 Surplus 394.3	731,000.00
Total Checking/Savings	<u>6,793,694.88</u>
Accounts Receivable	
1210 · Accounts Receivable	88,538.33
1230 · Property Taxes Receivable	3,257,029.42
Total Accounts Receivable	<u>3,345,567.75</u>
Other Current Assets	
Due From District No. 3	464.58
Total Other Current Assets	<u>464.58</u>
Total Current Assets	<u>10,139,727.21</u>
Other Assets	
1921 · AA - Def Bal On Adv Ref Bonds	-357,486.00
1920 · Def Bal om Adv Refunding Bonds	2,503,308.00
Total Other Assets	<u>2,145,822.00</u>
TOTAL ASSETS	<u><u>12,285,549.21</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010 · Accounts Payable	-7,858.05
Total Accounts Payable	<u>-7,858.05</u>
Other Current Liabilities	
2022 · Deferred Property Tax Rev	3,257,029.42
2030 · Interest Payable - 2020 Loan	78,088.00
2031 · Interest Payable - 2020B1	18,737.00
2032 · Interest Payable - 2020B2	1,123,546.00
Total Other Current Liabilities	<u>4,477,400.42</u>
Total Current Liabilities	<u>4,469,542.37</u>
Long Term Liabilities	
2650 · Series 2020A Loan	32,100,001.00
2640 · Series 2020B-2 Bond	6,714,000.00
2630 · Series 2020B-1 Bond	7,195,000.00
Total Long Term Liabilities	<u>46,009,001.00</u>
Total Liabilities	<u>50,478,543.37</u>
Equity	
3000 · Opening Balance Equity	0.46
3910 · Retained Earnings	-38,280,661.35
Net Income	87,666.73
Total Equity	<u>-38,192,994.16</u>
TOTAL LIABILITIES & EQUITY	<u><u>12,285,549.21</u></u>

Woodmen Heights Metropolitan District #2

Profit & Loss Budget vs. Actual

January 1 through May 29, 2024

	TOTAL				
	May 1 - 29, 24	Jan 1 - May 29, 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Due From District 3 - Taxes	107,444.12	282,616.63	0.00	282,616.63	100.0%
Fees					
Facility Fees					
Bridge Fee	0.00	10,910.18	5,000.00	5,910.18	218.2%
East Park Fee	0.00	37,094.61	20,000.00	17,094.61	185.47%
Multi Family	8,251.29	46,757.31	0.00	46,757.31	100.0%
Single Family	32,088.28	82,512.72	0.00	82,512.72	100.0%
Total Facility Fees	40,339.57	177,274.82	25,000.00	152,274.82	709.1%
Impact Fees					
Impact Fees Res Multi	0.00	0.00	137,522.00	-137,522.00	0.0%
Impact Fees Residential	0.00	0.00	229,202.00	-229,202.00	0.0%
Total Impact Fees	0.00	0.00	366,724.00	-366,724.00	0.0%
Platting Fees					
Rivers Park Fee	0.00	10,910.18	0.00	10,910.18	100.0%
Tiers Fee	0.00	109,101.80	0.00	109,101.80	100.0%
Total Platting Fees	0.00	120,011.98	0.00	120,011.98	100.0%
Taxes					
Current Year - O&M	84,164.27	523,679.04	905,211.00	-381,531.96	57.85%
Spec Own Tax - O&M	6,738.10	27,341.35	63,365.00	-36,023.65	43.15%
Delinquent Int - O&M	5.96	7.39	0.00	7.39	100.0%
Current Year - Debt	233,789.63	1,454,664.03	2,514,475.00	-1,059,810.97	57.85%
Spec Own Tax - Debt	18,716.94	75,948.21	176,013.00	-100,064.79	43.15%
Delinquent Int - Debt	16.60	20.59	0.00	20.59	100.0%
Total Taxes	343,431.50	2,081,660.61	3,659,064.00	-1,577,403.39	56.89%
Total Fees	383,771.07	2,378,947.41	4,050,788.00	-1,671,840.59	58.73%
Reimbursements	2,719.15	2,719.15	0.00	2,719.15	100.0%
Total Income	493,934.34	2,664,283.19	4,050,788.00	-1,386,504.81	65.77%
Gross Profit	493,934.34	2,664,283.19	4,050,788.00	-1,386,504.81	65.77%
Expense					
Directors Fees	0.00	0.00	6,000.00	-6,000.00	0.0%
Contingency	0.00	0.00	50,000.00	-50,000.00	0.0%
Dues and Subscriptions	0.00	1,237.50	1,500.00	-262.50	82.5%
Fees Due					
Facility Fee	2,418,138.51	2,418,138.51	0.00	2,418,138.51	100.0%
Storm Water	2,073.15	16,818.53	45,000.00	-28,181.47	37.38%
Total Fees Due	2,420,211.66	2,434,957.04	45,000.00	2,389,957.04	5,411.02%
Insurance	0.00	0.00	22,000.00	-22,000.00	0.0%
Interest Expense	0.00	0.00	1,958,479.00	-1,958,479.00	0.0%
Parks	0.00	20,980.48	2,135,000.00	-2,114,019.52	0.98%

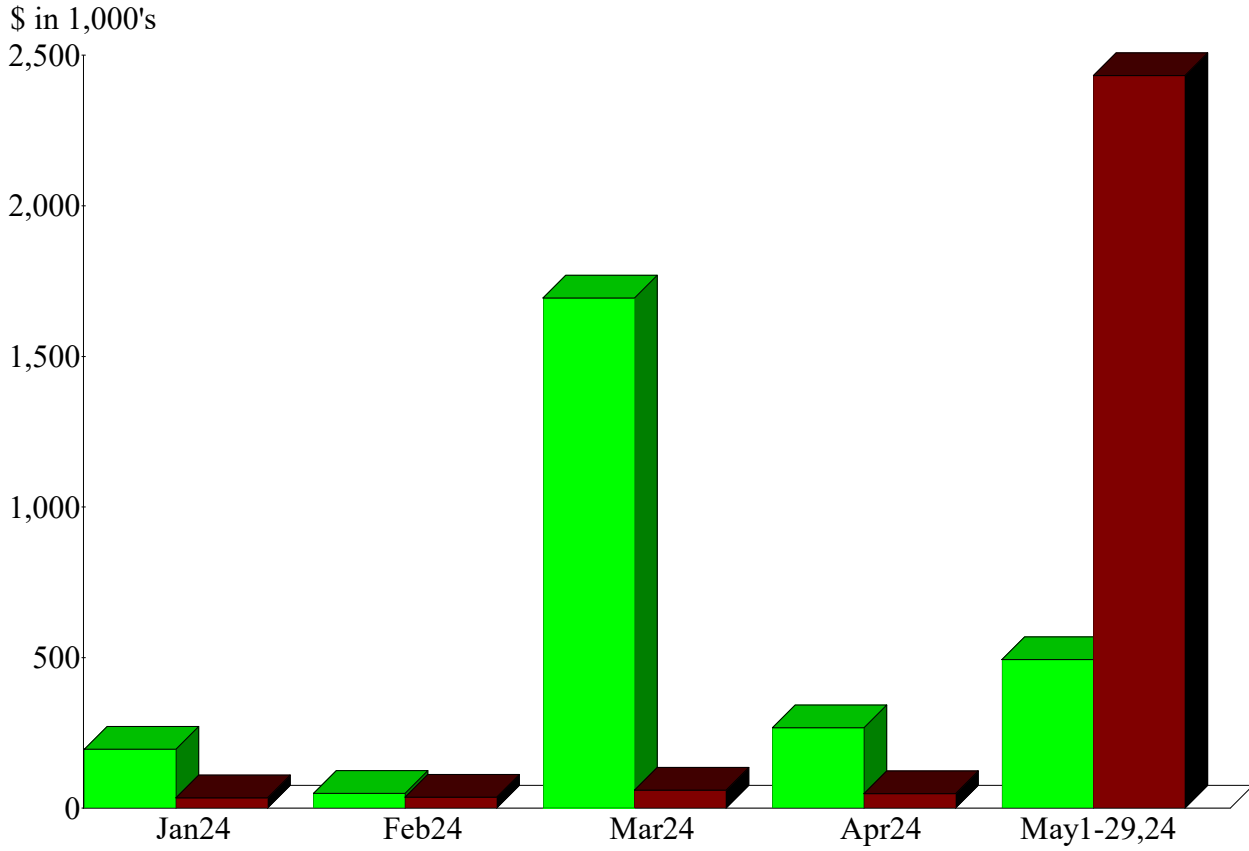
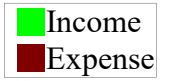
Woodmen Heights Metropolitan District #2

Profit & Loss Budget vs. Actual

January 1 through May 29, 2024

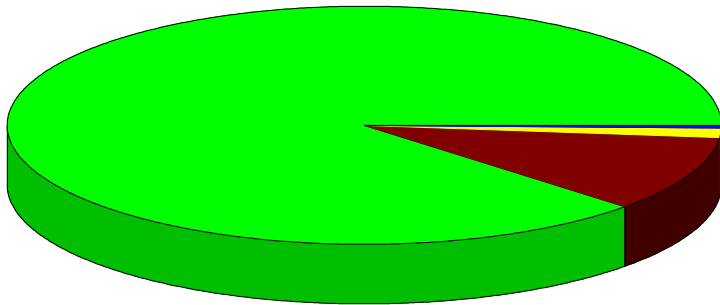
	TOTAL				
	May 1 - 29, 24	Jan 1 - May 29, 24	Budget	\$ Over Budget	% of Budget
Professional Fees					
Audit	0.00	0.00	9,605.00	-9,605.00	0.0%
District Management	0.00	44,000.00	132,000.00	-88,000.00	33.33%
Landscaping Maintenance	7,649.67	73,883.77	450,000.00	-376,116.23	16.42%
Legal Fees	0.00	6,795.78	25,000.00	-18,204.22	27.18%
Total Professional Fees	7,649.67	124,679.55	616,605.00	-491,925.45	20.22%
Postage and Delivery	0.00	0.00	250.00	-250.00	0.0%
Repairs	0.00	850.00	50,000.00	-49,150.00	1.7%
Treasurer Collection Fee Debt	3,507.14	21,825.69	37,717.00	-15,891.31	57.87%
Treasurer Collection Fee O&M	1,262.57	7,857.25	13,578.00	-5,720.75	57.87%
Total Expense	2,432,631.04	2,612,387.51	4,936,129.00	-2,323,741.49	52.92%
Net Ordinary Income	-1,938,696.70	51,895.68	-885,341.00	937,236.68	-5.86%
Other Income/Expense					
Other Income					
Interest Income	0.00	35,771.05	0.00	35,771.05	100.0%
Total Other Income	0.00	35,771.05	0.00	35,771.05	100.0%
Net Other Income	0.00	35,771.05	0.00	35,771.05	100.0%
Net Income	-1,938,696.70	87,666.73	-885,341.00	973,007.73	-9.9%

Income and Expense by Month
January 1 through May 29, 2024



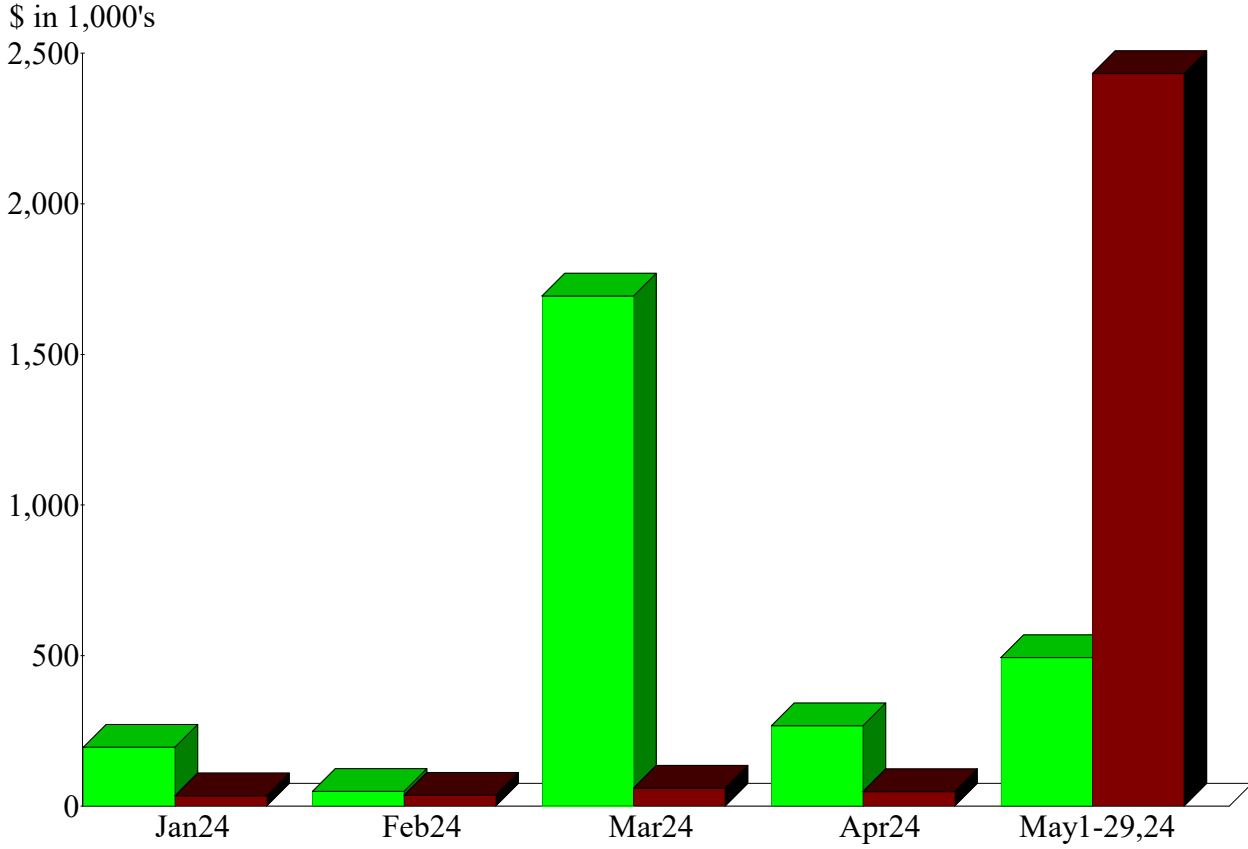
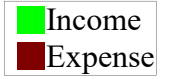
Income Summary
January 1 through May 29, 2024

Fees	88.11%
Due From District 3 - Taxes	10.47
Interest Income	1.32
Reimbursements	0.10
Total	\$2,700,054.24



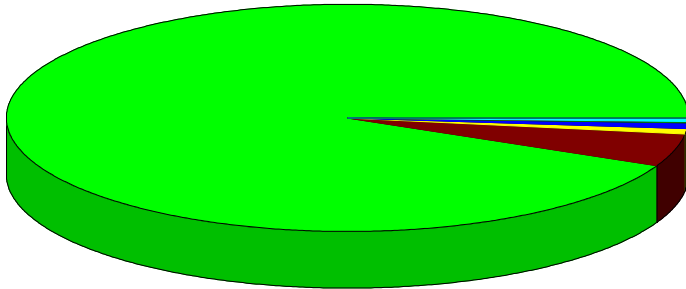
By Account

Income and Expense by Month
January 1 through May 29, 2024



Expense Summary
January 1 through May 29, 2024

Fees Due	93.21%
Professional Fees	4.77
Treasurer Collection Fee Debt	0.84
Parks	0.80
Treasurer Collection Fee O&M	0.30
Dues and Subscriptions	0.05
Repairs	0.03
Total	\$2,612,387.51



By Account

Woodmen Heights Metropolitan District #3

05/29/24

Balance Sheet

Accrual Basis

As of May 29, 2024

	<u>May 29, 24</u>
ASSETS	
Current Assets	
Checking/Savings	
ECB - Operating	138,543.45
Total Checking/Savings	<u>138,543.45</u>
Accounts Receivable	
1235 · Property Taxes Receivable	263,963.42
Total Accounts Receivable	<u>263,963.42</u>
Total Current Assets	<u>402,506.87</u>
TOTAL ASSETS	<u>402,506.87</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010 · Accounts Payable	4,388.43
Total Accounts Payable	<u>4,388.43</u>
Other Current Liabilities	
Due to Discrict No. 2	464.58
2025 · Deferred Property Tax Rev	263,963.42
Total Other Current Liabilities	<u>264,428.00</u>
Total Current Liabilities	<u>268,816.43</u>
Total Liabilities	268,816.43
Equity	
3910 · Retained Earnings	93,335.18
Net Income	40,355.26
Total Equity	<u>133,690.44</u>
TOTAL LIABILITIES & EQUITY	<u>402,506.87</u>

Woodmen Heights Metropolitan District #3

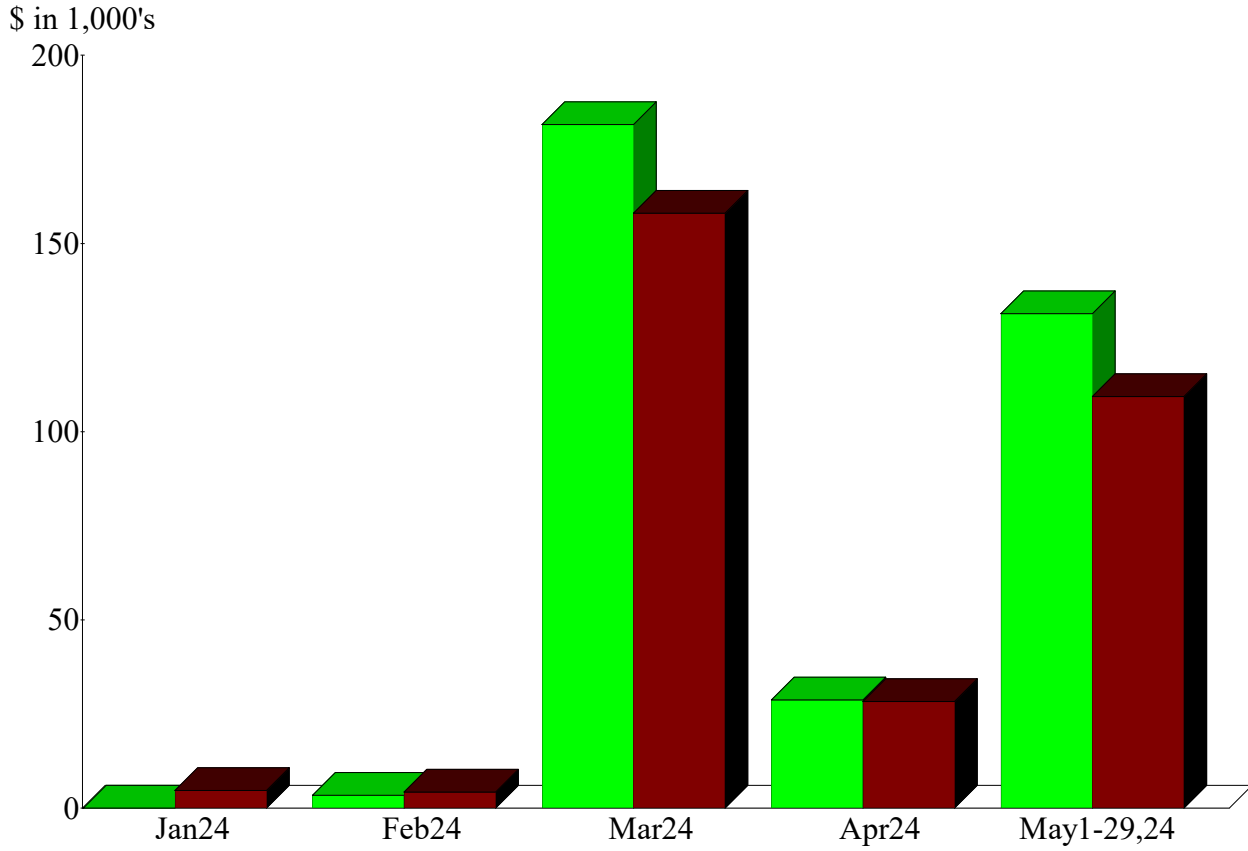
Profit & Loss Budget vs. Actual

January 1 through May 29, 2024

	TOTAL				
	May 1 - 29, 24	Jan 1 - May 29, 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Fees					
Facility Fees					
Bridge Fee	0.00	0.00	5,000.00	-5,000.00	0.0%
East Park Fee	0.00	0.00	30,000.00	-30,000.00	0.0%
Facility Fees - Other	0.00	0.00	58,000.00	-58,000.00	0.0%
Total Facility Fees	0.00	0.00	93,000.00	-93,000.00	0.0%
Taxes					
Delinquent Int	28.22	28.22	0.00	28.22	100.0%
Current Year - O&M	21,637.65	56,152.50	70,607.00	-14,454.50	79.53%
Spec Own Tax - O&M	525.58	2,132.66	4,943.00	-2,810.34	43.15%
Current Year - Debt	106,457.21	276,270.29	347,389.00	-71,118.71	79.53%
Spec Own Tax - Debt	2,585.86	10,492.70	24,317.00	-13,824.30	43.15%
Delinquent Interest - DS	138.85	138.85	0.00	138.85	100.0%
Total Taxes	131,373.37	345,215.22	447,256.00	-102,040.78	77.19%
Total Fees	131,373.37	345,215.22	540,256.00	-195,040.78	63.9%
Total Income	131,373.37	345,215.22	540,256.00	-195,040.78	63.9%
Gross Profit	131,373.37	345,215.22	540,256.00	-195,040.78	63.9%
Expense					
Audit	0.00	0.00	9,347.00	-9,347.00	0.0%
Contingency	0.00	0.00	20,000.00	-20,000.00	0.0%
Dues and Subscriptions	0.00	367.65	500.00	-132.35	73.53%
Due to District 2 - Taxes	107,444.12	282,616.63	0.00	282,616.63	100.0%
Insurance	0.00	0.00	5,000.00	-5,000.00	0.0%
Professional Fees					
District Management	0.00	12,000.00	36,000.00	-24,000.00	33.33%
Legal Fees	0.00	4,918.57	15,000.00	-10,081.43	32.79%
Total Professional Fees	0.00	16,918.57	51,000.00	-34,081.43	33.17%
Postage and Delivery	0.00	0.00	250.00	-250.00	0.0%
Stormwater & Facilities Maint	0.00	0.00	35,000.00	-35,000.00	0.0%
Treasurer's Collection Fee-O&M	324.99	842.75	1,059.00	-216.25	79.58%
Treasurers Collection Fee-Debt	1,598.95	4,146.36	5,211.00	-1,064.64	79.57%
Total Expense	109,368.06	304,891.96	127,367.00	177,524.96	239.38%
Net Ordinary Income	22,005.31	40,323.26	412,889.00	-372,565.74	9.77%
Other Income/Expense					
Other Income					
Other Income	0.00	32.00	0.00	32.00	100.0%
Total Other Income	0.00	32.00	0.00	32.00	100.0%
Net Other Income	0.00	32.00	0.00	32.00	100.0%
Net Income	22,005.31	40,355.26	412,889.00	-372,533.74	9.77%

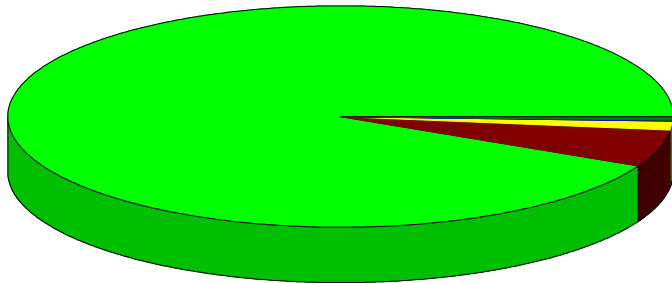
Income and Expense by Month
January 1 through May 29, 2024

Income
Expense



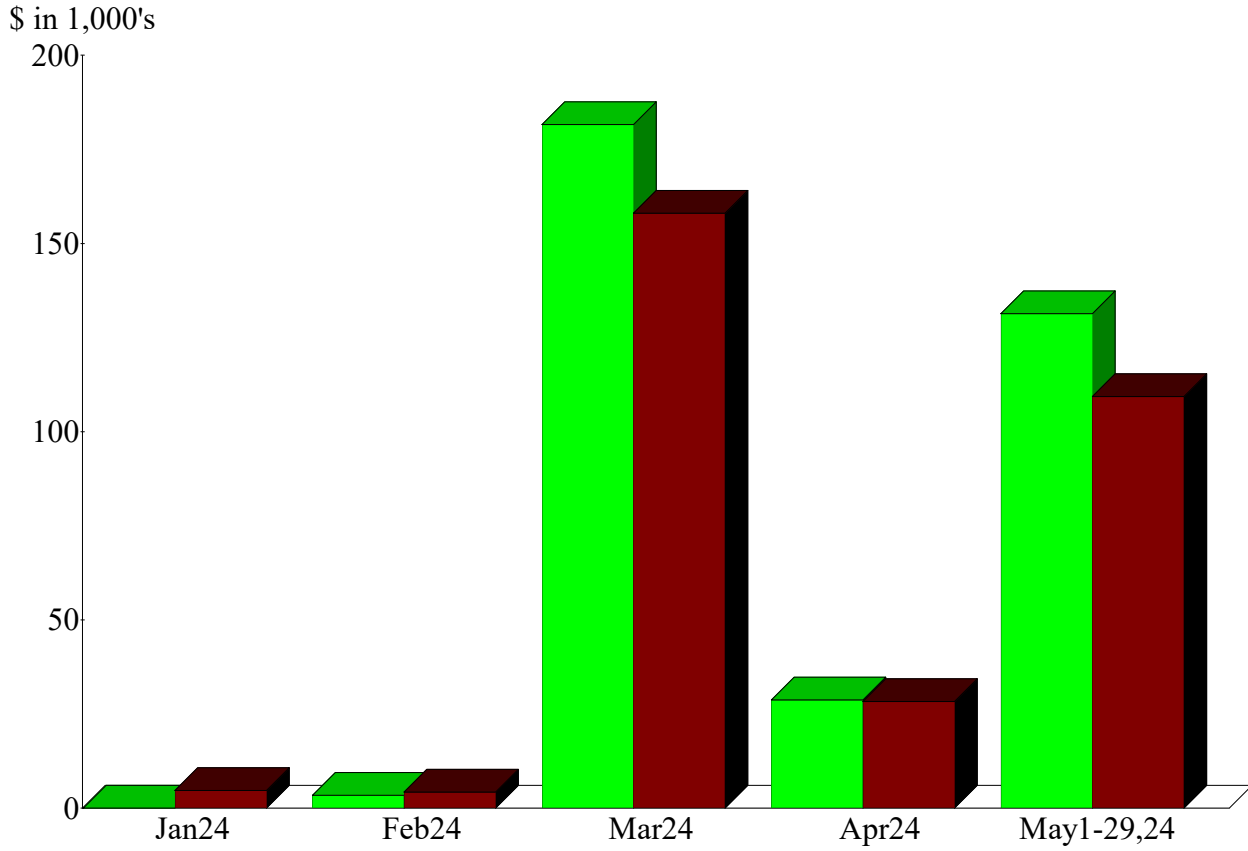
Expense Summary
January 1 through May 29, 2024

Due to District 2 - Taxes	92.69%
Professional Fees	5.55
Treasurers Collection Fee-Debt	1.36
Treasurer's Collection Fee-O&M	0.28
Dues and Subscriptions	0.12
Total	\$304,891.96



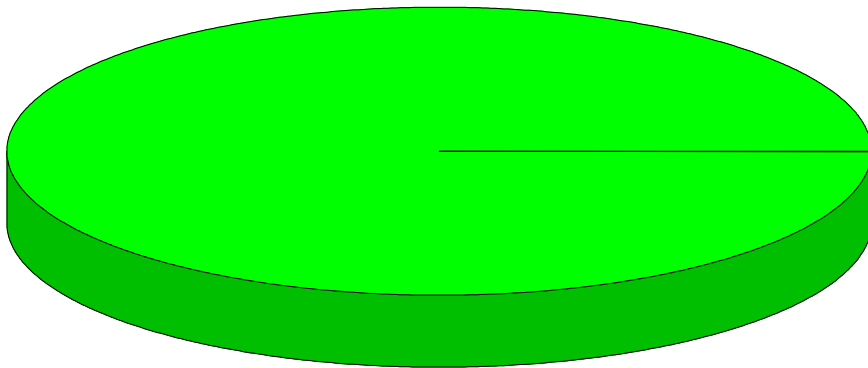
By Account

Income and Expense by Month
January 1 through May 29, 2024



Income Summary
January 1 through May 29, 2024

Fees	99.99%
Other Income	0.01
Total	\$345,247.22



By Account



Woodmen Heights Metropolitan District #1
GENERAL FUND ACCOUNT
4/17/2024

Company	Invoice	Date	Amount	Comments
White Bear Ankele Tanka Waldron	33951	3/31/2024	\$ 871.26	
WSDM District Managers	7966	3/31/2024	\$ 1,271.60	

\$ 2,142.86

Woodmen Heights Metropolitan District, Director

Eastern Colorado Before Payables	\$ 1,574,812.02
Payables for this month	\$ (2,142.86)
Easter Colorado After Payables	\$ 1,572,669.16

Woodmen Heights Metropolitan District #1
GENERAL FUND ACCOUNT

5/15/2024

Company	Invoice	Date	Amount	Comments
White Bear Ankele Tanka Waldron	34839	4/30/2024	\$ 1,921.88	
WSDM District Managers	8006	4/30/2024	\$ 1,250.00	

\$ 3,171.88

Woodmen Heights Metropolitan District, Director

Eastern Colorado Before Payables	\$ 1,303,059.66
Payables for this month	\$ (3,171.88)
Easter Colorado After Payables	<u>\$ 1,299,887.78</u>

Woodmen Heights Metropolitan District #2
GENERAL FUND ACCOUNT
4/18/2024

Company	Invoice	Date	Amount	Comments
CCSVariou	40124	4/1/2024	\$ 5,170.14	
CCS	SWENT0077	2/13/2024	\$ 53.00	
Colorado Springs Utilities	9103089066	4/5/2024	\$ 2,062.53	Set Up for Autopay
Hammers Construction	2024-SW-023.1	3/25/2024	\$ 300.00	
Hammers Construction	2024-SW-076.1	3/25/2024	\$ 300.00	
Hammers Construction	2024-SW-077.1	3/25/2024	\$ 300.00	
Hammers Construction	2024-SW-078.1	3/25/2024	\$ 300.00	
Peak Fencing	32724	3/27/2024	\$ 700.00	
Rocky Mountain Playground	1117	3/24/2024	\$ 1,850.00	
Weisburg Landscape Maintenance	55010	4/30/2024	\$ 9,321.00	
Weisburg Landscape Maintenance	55011	4/30/2024	\$ 2,010.00	
White Bear Ankele Tanka Waldron	33984	3/31/2024	\$ 1,146.47	
WSDM District Managers	7967	3/31/2024	\$ 11,000.00	
TOTAL			\$ 34,513.14	

BOND FUND ACCOUNT

Company	Date	Amount	Comments
PNC			
El Paso County Taxes: DISTRICT 2	3/10/2024	\$ 134,947.12	
TOTAL		\$ 134,947.12	

\$ 169,460.26

Woodmen Heights Metropolitan District, Director

Eastern Colorado Before Payable	\$	4,202,171.73
Payables	\$	(169,460.26)
Eastern Colorado After Payable	\$	4,032,711.47

Woodmen Heights Metropolitan District #2
GENERAL FUND ACCOUNT
5/15/2024

Company	Invoice	Date	Amount	Comments
CCSVarios	50124	5/1/2024	\$ 1,493.10	
Colorado Springs Utilities	9103089066	5/7/2024	\$ 5,095.53	Set Up for Autopay
Monster Fence Company	1860	4/25/2024	\$ 150.00	
Rocky Mountain Playground	1153	4/26/2024	\$ 13,338.48	
Weisburg Landscape Maintenance	55146	4/29/2024	\$ 1,037.50	
Weisburg Landscape Maintenance	55175	5/2/2024	\$ 997.50	
Weisburg Landscape Maintenance	55215	5/13/2024	\$ 103.00	
Weisburg Landscape Maintenance	55225	5/13/2024	\$ 140.00	
Weisburg Landscape Maintenance	55278	5/31/2024	\$ 9,321.00	
Weisburg Landscape Maintenance	55279	5/31/2024	\$ 2,010.00	
Weisburg Landscape Maintenance	55374	5/15/2024	\$ 440.00	
White Bear Ankele Tanka Waldron	34871	4/30/2024	\$ 2,019.26	
WSDM District Managers	8007	4/30/2024	\$ 11,000.00	
TOTAL			\$ 47,145.37	

BOND FUND ACCOUNT

Company	Date	Amount	Comments
PNC			
El Paso County Taxes: DISTRICT 2	5/10/2024	\$ 248,999.43	April Pledged Rev
El Paso County Taxes: DISTRICT 3	5/10/2024	\$ 107,444.12	April Pledged Rev
UMB	5/15/2024	\$ 2,418,138.51	2021-2023 Permit Fees-Pd with Ck
TOTAL		\$ 356,443.55	

\$ 403,588.92

Woodmen Heights Metropolitan District, Director

Eastern Colorado Before Payable	\$	1,863,833.56
Payables	\$	(403,588.92)
Eastern Colorado After Payable	\$	1,460,244.64

Woodmen Heights Metropolitan District #3
GENERAL FUND ACCOUNT
4/17/2024

Company	Invoice	Date	Amount	Comments
White Bear Ankele Tanka Waldron	33985	3/31/2024	\$ 830.77	
WSDM District Managers	7968	3/31/2024	\$ 3,000.00	
TOTAL			\$ 3,830.77	

Woodmen Heights Metropolitan District, Director

\$ 3,830.77

The Eastern Colorado Bank	\$ 8,767.87
Payable	\$ (3,830.77)
The Eastern Colorado Bank After Payable	<u>\$ 4,937.10</u>

Woodmen Heights Metropolitan District #3 GENERAL FUND ACCOUNT

5/15/2024

Company	Invoice	Date	Amount	Comments
White Bear Ankele Tanka Waldron	34872	4/30/2024	\$ 1,388.43	
WSDM District Managers	8008	4/30/2024	\$ 3,000.00	
TOTAL			\$ 4,388.43	

Woodmen Heights Metropolitan District, Director

\$ 4,388.43

The Eastern Colorado Bank	\$	138,543.45
Payable	\$	(4,388.43)
The Eastern Colorado Bank After Payabl	\$	134,155.02





Forest Meadows Community Park

Bid Date: 4/24/2024 *Pricing is good for 90 days

Aerate, Seed & Topdress									
Description	Materials				Labor & Equipment		Haul, Dump, Delivery		Total
	qty	unit	price	subtotal	hours	subtotal	qty	rate	
Aerate, Seed, Topdress	10750	sqft	\$ 0.575	\$ 6,181.25			1	\$ 195.00	\$ 6,376.25
Irrigation Programming Visits					2.0	\$ 160.00			\$ 160.00
Clean Up - Brooms & Blowers					2	\$ 130.00			\$ 130.00
								Total:	\$ 6,666.25

Notes: This area has winter kill and heavy foot traffic. Time to aerate, seed and topdress. 10.75 Cu Yds of soil needed at .33" depth.
Need to cone/stake area off.



**AGREEMENT BETWEEN THE CITY OF COLORADO
SPRINGS AND THE WOODMEN HEIGHTS METROPOLITAN
DISTRICT NOS. 1-3
REGARDING FUNDING
OF THE MARKSHEFFEL ROAD SAND CREEK CROSSING**

Effective as of May 13, 2024, the City of Colorado Springs (the “City”) and the Woodmen Heights Metropolitan Districts Nos. 1 – 3 (together the “Districts”) (collectively the “Parties”) hereby enter this Agreement regarding funding of the Marksheffel Road Sand Creek Crossing (“Agreement”).

Recitals/Background

1. The Woodmen Heights development was annexed into the City of Colorado Springs in 2004 based on the approval of the Woodmen Heights Annexation Agreements Nos. 1 – 4 (“Annexation Agreements”) (Attached hereto as **Exhibits 1 through 4**);
 - The Annexation Agreements, Sections V.B., required the Owners to construct the Marksheffel bridge or box culvert at their own expense. The Owners would then be eligible for 50% reimbursement for the construction cost of the bridge or box culvert.
2. The Woodmen Heights Metropolitan Districts 1 – 3 were formed in July 2004 and are governed by a Consolidated Service Plan approved by the City of Colorado Springs. The Consolidated Service Plan was subsequently amended by the City in July 2007.
3. The Districts issued bonds in 2005, refinanced those bonds in 2012 after being in default due to the Great Recession impacts on development and resulting tax revenues, and refunded all bonds in 2020.
 - The developer’s intent was to fund the Marksheffel Road construction, including the Marksheffel Road Sand Creek Crossing, with proceeds from the bonds issued by the Districts.
4. The Pikes Peak Rural Transportation Authority (“PPRTA”) was formed by vote in 2004 and included an A-list project for the Marksheffel Road Widening and Extension – Peterson AFB East Gate to Black Forest Rd (includes the Woodmen Heights development area) improvements.
5. Starting in 2012 the developers and the Districts worked collaboratively with the City of Colorado Springs to adopt an intergovernmental agreement (“IGA”) that addressed funding for various infrastructure projects required by the annexation agreements, including the Districts’ contribution payment for the Marksheffel Road Sand Creek Crossing (also referred to herein as the “Marksheffel Bridge”).
 - Although the IGA was never finalized, the Districts, adhering to the intent and spirit of the collaboration with the City, implement the City’s recommendations with respect to Districts’ cost share allocation for the Marksheffel Bridge by establishing and collecting public improvement development fees for the costs related to the Marksheffel Bridge (“Fee”).

6. From 2013 – 2017, the developers and the Districts were in discussions with the City relating to the development standards and funding sources for the Marksheffel Road Sand Creek Crossing.
7. The City constructed the Marksheffel Road Sand Creek Crossing using PPRTA and other funding sources in 2021 and requested that the PPRTA be reimbursed for a portion of the Marksheffel Bridge cost.
8. In 2021, the Districts' Boards authorized reimbursement payment to the City of all funds collected from the Fee which would constitute full and complete satisfaction of the contribution required by the annexation agreements with respect to the Marksheffel Bridge and the Districts would be released from any further obligations related to the Marksheffel Bridge.
9. As of April 9, 2024, the Districts have collected Fees in the amount of \$269,609.50 since 2013.

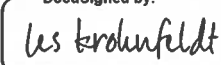
NOW, THEREFORE, for and in consideration of the mutual promises herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Incorporation of Recitals. The foregoing recitals are incorporated into and made a part of this Agreement.
2. Immediately upon mutual execution hereof, the Districts agree to make payment of all o funds collected from the Fee in the amount of \$269,609.50 to the City as the reimbursement payment for the Marksheffel Road Sand Creek Crossing costs.
3. The City acknowledges and agrees that such payment of \$269,609.50 constitutes full and complete satisfaction of the cost contribution requirements of the Woodmen Heights Annexation Agreements Nos. 1 – 4 for the Marksheffel Road Sand Creek Crossing.

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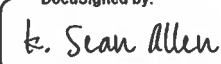
IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized officials to place their hands upon this Agreement effective the day and year first above written.

WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 AND 3

DocuSigned by:

A7088425D654470
By: Les Krohnfeldt
Its: Board President

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

DocuSigned by:

4CDD04B60E70468
General Counsel to the Districts

CITY OF COLORADO SPRINGS

By: Jamie Fabos
Its: Chief of Staff

APPROVED AS TO FORM:

Rebecca Greenberg
Senior Attorney, Office of the City
Attorney

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized officials to place their hands upon this Agreement effective the day and year first above written.

WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 AND 3

By: _____
Its: _____

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the Districts

CITY OF COLORADO SPRINGS

By: ~~Jamie Fabos~~ *Travis Easton*
Its: ~~Chief of Staff~~ *Deputy Chief of Staff - Infrastructure & Development*

APPROVED AS TO FORM:

Rebecca Greenberg

Rebecca Greenberg
Senior Attorney, Office of the City
Attorney

EXHIBITS 1-4



204160911

WOODMEN HEIGHTS NO. 1
ANNEXATION AGREEMENT

1073

THIS ANNEXATION AGREEMENT (this "Agreement"), dated this 23rd day of July, 2004, is between the City of Colorado Springs, a home rule city and Colorado municipal corporation (the "City"), and The Robert W. Kinzler Revocable Living Trust and The Evelyn M. Kinzler Revocable Living Trust (collectively referred to as "Owners" or the "Property Owners").

I.
INTRODUCTION

The Owners own all of the real property located in El Paso County, Colorado, identified and described in the legal description attached hereto as Exhibit A (the "Property").

The growth of the Colorado Springs metropolitan area makes it likely that the Property will experience development in the future and the Property is identified in the City Annexation Plan as recommended for annexation. Subject to the terms and conditions set forth herein, both the City and the Owners wish to annex the Property into the City to ensure its orderly development. In consideration of the mutual covenants contained in this Agreement, the receipt and sufficiency of which are acknowledged by each of the parties, the City and the Owners agree as follows.

II.
ANNEXATION

The Owners have petitioned the City for annexation of the Property as set forth in Exhibit A. The annexation will become effective upon final approval by the City Council and the recording of the annexation plat and annexation ordinance with the El Paso County Clerk and Recorder.

All references to the Property or to the Owners' Property are to the Property described in Exhibit A except as otherwise indicated.

III.
LAND USE

A Master Plan for the Property, Woodmen Heights Master Plan, has been proposed and submitted to the City for approval. Owners will comply with the approved Master Plan or an amended Master Plan approved in accord with applicable provisions of the Code of the City of Colorado Springs 2001, as amended or recodified ("City Code").

IV.
ZONING

A. Zoning. The City Planning and Community Development Department of the City agrees to recommend that the initial zone for the Owners' Property shall be Agricultural (A) upon annexation. While zoned A, a development plan shall be required for any use requiring a building permit except for agricultural uses. Owners acknowledge and understand that the City Council determines what is an appropriate zone for the Property, and this recommendation does not bind the Planning Commission or City Council to adopt an Agricultural zone for the Property.

B. Rezoning. Rezoning shall conform to the Master Plan, as approved or as amended by the City in the future. Rezoning in accord with the land uses reflected on the Master Plan will occur prior to actual development of the site.

V.
PUBLIC FACILITIES

A. Street / Traffic. The Owners agree to construct, at the Owners' expense (unless provided by the Woodmen Road Metropolitan District as defined below (V.1.b.)) those street and/or traffic

improvements within the Property and those street and/or traffic improvements adjacent to or within the Property that are more particularly described below. All street and/or traffic improvements shall be under the provisions of the City Subdivision Ordinance, Chapter 7 of the City Code. These improvements shall also include mutually acceptable dedications of right-of-way and easements, and extension of streets and right-of-way. The provisions of City Code §§ 7.7.706 (Reimbursements) are excluded. City participation or reimbursement for Arterial Streets within the Property will not be allowed.

1. Woodmen Road.

a. General. Woodmen Road shall be designated, designed and constructed to meet City of Colorado Springs Public Works design standards as identified and in accord with the County Major Thoroughfare Plan and the City Intermodal Transportation Plan. In the future, it may be necessary to improve Woodmen Road beyond the level contemplated by this Agreement at this time. The specifications for future improvements for which Owners are ultimately responsible to the extent they are not installed by the District will be determined at the time of development plan approval. Notwithstanding the foregoing, Owners' responsibility is for the construction of Woodmen Road where it is adjacent to the Property and related turning movement lanes and acceleration and deceleration lanes for access into the Property in order to meet City standards for those Improvements.

b. Woodmen Road Metropolitan District. The City has previously entered into an Intergovernmental Agreement Concerning Woodmen Road with the Woodmen Road Metropolitan District (the "District") approved February 25, 2003 (the "IGA"). The IGA provides for construction by the District of improvements required by the City. If the District does not complete all of the required Improvements adjacent to the Property prior to the time that the Owners desire to commence construction of Improvements on the Property, in order to satisfy the City that the additional Improvements where adjacent to the Property will be constructed, Owners must either: (1) post reliable and approved surety with the City in an amount and form approved by the City in order to assure the availability of funds to construct said Improvements; or (2) arrange for a further or amended intergovernmental agreement ("Amended IGA") between the District and the City whereby the District agrees to finance and construct all of said Improvements according to a schedule agreed to by the City, which Amended IGA contemplates a review by the City of the financial plan and related bond documents of the District.

c. Right-of-Way. The District has previously acquired the necessary right-of-way for Woodmen Road where adjacent to the Property (total right-of-way of two hundred ten feet (210')) and the Owners agree to dedicate any additional right-of-way as may be required for the approach to Black Forest Road or Marksheffel Road and the other access locations to accommodate projected turning movements to meet City standards, as determined by the Woodmen Corridor design. Further, it is understood that all current and future street and/or traffic improvements shall be pursuant to the provisions of the City Subdivision Ordinance, Chapter 7 of the City Code. The City has no objections to the right-in, right-out accesses from Woodmen Road into the Property as shown on the Master Plan.

2. Marksheffel Road. The Owners shall be responsible for all costs, including design, right-of-way dedication and construction, associated with Marksheffel Road, as a principal arterial street with one hundred sixty feet (160') of total right-of-way and with on-street bike lanes and a raised median, from the north end of the property and continuing south crossing Woodmen Road until it intersects with the existing City limits. The Owners shall plat and dedicate the full right-of-way for Marksheffel Road when requested by the City. Owners will be entitled to cost recovery for the extension of Marksheffel Road south of Woodmen Road in accord with Section 7.7.705.B. of the City Code (Subdivision Regulations).

3. Vollmer Road. Owners, at Owners' expense, will dedicate all necessary right-of-way needed for and construct Vollmer Road connecting with Black Forest Road as shown on the approved Master Plan for the Property. Owners will be responsible for upgrading Vollmer Road to meet City standards as a minor arterial road with a total of eighty feet (80') to one hundred twenty feet (120') of right-of-way required to be dedicated by Owners. The reason for the varying right-of-way width is to enable the proper transition of Vollmer Road from the jurisdiction of the City to El Paso County. The parties acknowledge that El Paso County is currently studying Vollmer Road and may in the future downgrade the classification of the road. Should that happen, the City agrees that the right-of-way for

Voilmer Road may be reduced to match the ultimate design of Vollmer Road as determined by El Paso County.

4. Black Forest Road. The Owners will be responsible for dedicating one-half (1/2) of the necessary right-of-way for, and constructing Black Forest Road so that Black Forest Road has four (4) lanes and meets City standards for a principal arterial road with a total right-of-way of one hundred twenty feet (120') from its intersection with Woodmen Road north to the northern boundary of the Property. Owners or the District (as defined in Section XII of this Agreement) will be entitled to cost recovery for the costs to construct and improve the west one-half (1/2) of Black Forest Road from owners having frontage on said road in accord with Section 7.7.705.B. of the City Code (Subdivision Regulations).

5. Black Forest Road Cottonwood Creek Crossing. Owners acknowledge that there is a need to construct the Black Forest Road bridge or box culvert, as applicable, across Cottonwood Creek. The Owners, either directly or through the Districts, shall construct the bridge or box culvert over Cottonwood Creek prior to the expiration of the second phase of the development but in any case prior to December 31, 2011. The City commits to acquire the necessary right-of-way and easements necessary for the construction of the bridge through the development process and/or through its powers of eminent domain. The owners will be eligible for reimbursement as applicable, per Section 7.7.1001-1006 (Arterial Roadway Bridges) of the City Code. City participation or reimbursement for the costs of construction of the bridge or box culvert for the Black Forest Road Cottonwood Creek crossing will not be allowed.

6. Construction of Internal Public Street Network to Serve Property. It is recognized that there may be a need for certain Owners to construct portions of the internal public street network, as illustrated on the approved Woodmen Heights Master Plan, that are not adjacent to their property. In order to accommodate this situation, Owners shall dedicate the full right-of-way for any internal public streets, as illustrated on the approved Master Plan, and a temporary construction easement as reasonably required to complete construction of those internal roads, at any time requested by the City or by an Owner that intends to commence development. Additionally, Owners who incur costs associated with the design and construction of internal public streets within the Property shall be eligible for Cost Recovery from Owners having frontage on said street in accord with Section 7.7.705.B. of the City Code (Subdivision Regulations).

B. Marksheffel Road Sand Creek Crossing. The Owners shall construct the Marksheffel Road bridge or box culvert, as applicable, across Sand Creek at their expense. The owners will be eligible for fifty percent (50%) reimbursement for the construction cost of the bridge or box culvert, as applicable, per section 7.7.1001-1006 (Arterial Roadway Bridges) of the City Code.

C. Traffic Control Devices and Street Lights. As required herein, the Owners shall pay for installation of traffic and street signs, striping, and traffic control devices, permanent barriers, and street lights, together with all associated conduit for all streets within or contiguous to the Property as mutually determined necessary by the parties, and in accord with uniformly applied criteria set forth by the City. The City agrees that the traffic signal at the intersection of Woodmen Road and Marksheffel Road may be installed by the Woodmen Road Metro District rather than by Owners, but Owners will remain responsible for that traffic signal if the District does not fund it. Streetlights will be required on collector and larger streets or at intersections for public safety as reasonably determined necessary by the City and Utilities. Traffic signals will be installed only after the intersection warrants such signals, as outlined in the Manual on Uniform Traffic Control Devices in use at the time or another nationally accepted standard. Once the intersection meets the outlined criteria, the City will notify the Owners in writing and the Owners will install the traffic signal within one hundred eighty (180) days after receipt of that notice. The Owners will be responsible for all components of the traffic signal, except the City will supply the controller equipment and cabinet (the reasonable costs therefor to be reimbursed by the Owners). If not provided by the District, the Owners will be responsible for purchasing and installing Intelligent Transportation Systems (ITS) for transit and smart bus stops in the development and along adjacent arterials to the development. This includes Woodmen Road. The level of ITS infrastructure will be determined as the level of transit service develops in the area; however, after the initial installation of the ITS, the Owners shall have no obligation for operating, maintaining, repairing or upgrading such systems. The City shall be solely responsible for further operating, maintenance, repair and upgrading of the ITS.

D. Drainage. A Master Development Drainage Plan ("MDDP") shall be prepared and submitted by the Owners to the City and approved by the City Engineer, prior to recording the annexation plat. Final Drainage Reports and Plans shall be prepared and submitted by the Owners to the City and approved by the City Engineer, prior to recording subdivision plats. Owners shall comply with all drainage criteria, standards, policies and ordinances in effect at the time, including but not limited to the payment of any drainage, arterial bridge and detention pond fees and the reimbursement for drainage facilities constructed. Owners may in the future desire to have this property treated as a "closed" drainage basin which does not require payment of drainage, bridge, or detention pond fees and there is no reimbursement for drainage facilities constructed. This property may be treated as a "closed" basin subject to approval by the City Engineer, the Colorado Springs/EI Paso County Drainage Board, and City Council of an amendment to the Sand Creek Drainage Basin Planning Study ("SCDBPS") that "closes" this portion of the Sand Creek basin and demonstrates 1) no adverse impact on other properties in Sand Creek and 2) no negative impact on the fiscal integrity of the Sand Creek Drainage Basin fee structure. Owners shall be responsible for conformance with the SCDBPS except that no storm drainage flows shall exit the property in excess of historic flow rates until the downstream drainage facilities on the main channel of Sand Creek between Woodmen Road and Constitution Avenue (to include Detention Pond No. 2 which is south of Barnes Road) are either in place in accord with the SODBPS or the facilities that are in place are adequate to accept flows in excess of historic that Owners desire to release. In the alternative and subject to approval by the City Engineer, the Owners may agree to participate on an equitable basis in the construction of Detention Pond No. 2 In exchange for the approval to release storm flows at the flow rates specified in the SCDBPS.

VI. UTILITIES

A. Gas Service. The City agrees that it will extend gas service for annexed properties substantially within the existing Gas Service Area of the Colorado Springs Utilities (Utilities), as designated by the Colorado Public Utilities Commission. Annexation of any lands not in the currently existing Gas Service Area of the Utilities shall be added to the Gas Service Area of the Utilities, and proper certification by the Colorado Public Utilities Commission shall be obtained.

Utilities agrees that it will extend gas service to annexed properties under its tariffs, ordinances, and rules and regulations in effect at the time of any specific gas service request. Availability will be covered by tariffs, ordinances and rules and regulations in effect at the time of the request. Annexation does not imply supply guarantee. Gas service is also contingent upon the availability of public right-of-way or private right-of-way provided by the Owners which will allow the extension of gas mains from existing facilities.

Owners agree to dedicate or otherwise convey to the Utilities at the Owners' expense, necessary easements as determined by Utilities for the installation of gas transmission and distribution facilities. Conveyance shall be made at the time of platting or at such time prior to the development of the Property as determined by Utilities.

Owners of annexed properties will agree to provide the appropriate number of gas regulation sites. The number and location of these sites shall be determined by Utilities. These regulation sites are not subject to reimbursement and will be deeded to Utilities.

B. Electric Service. Utilities agrees that it will extend electric service to the Property in accord with the rules and regulations established by the ordinances, resolutions, policies and safety codes of the Regional Building Department and Utilities in effect at the time of development. Availability of electric service will be covered by tariffs, ordinances and regulations in effect at the time that service is requested. Owners may be required to enter into a Revenue Guarantee Contract for the extension of electric service as determined by Utilities at the time of development. Annexation does not imply supply guarantee. Owners agree to dedicate or otherwise convey to the City, at the Owners' expense, necessary easements as determined by the City for the installation of electric transmission and distribution facilities. Conveyance shall be made at the time of platting or at such time prior to the development of the Property as determined by Utilities. Any costs incurred in the acquisition of electric service territory as a result of C.R.S. § 31-15-707 or § 40-9.5-201, et seq., shall be borne by the Owners.

C. Wastewater Service. Owners will extend wastewater main line or service lines to the Property and upon the Property at its expense in accord with the City's ordinances and Utility regulations in effect at the time of each specific wastewater request for service. Capacity of the system or treatment facility is not guaranteed by annexation, but by availability of service at the time of request.

Owners agree to dedicate or otherwise convey to Utilities at the Owners' expense, necessary easements as determined by Utilities for the installation of wastewater collection facilities. Conveyance shall be made at the time of platting or at such time prior to the development of the Property as determined by the Utilities.

Owners agree they will pay a pro rata share of the treatment plant facility costs through the established wastewater system development charge. They will pay their pro rata share of existing trunk sewer costs through established recovery agreement charges. Collection facilities required to serve the Property must be designed and constructed at the Owners' expense and will be required to be oversized to serve adjacent undeveloped land within the basin planning area boundaries.

Owners agree they will be required to participate with other developments on a fair share pro rata basis in the present and future off-site relief sewers. Owners will be entitled to enter into appropriate recovery agreements and to recover in accord with ordinances and regulations then in effect by the City.

D. Water Service. Owners or Utilities will extend water service to the Property in accord with the ordinances and regulations in effect at the time of the specific water request. The first-come, first-served policy will govern availability of supply. No guarantee of service is made by annexation. Owners agree to dedicate or otherwise convey to Utilities, at the Owners' expense, necessary easements as determined by the City for the installation of water transmission and distribution facilities. Conveyance shall be made at the time of platting or at such time prior to the development of the Property as determined by the Utilities.

E. Cost Recovery. Utilities agrees to develop a map indicating the areas outside of the Property that are serviced by utilities extended by the Property and develop a cost recovery agreement and mechanism so that cost recovery to the Property or Special District is required of those benefited areas.

F. Limitation of Applicability. The provisions of this Agreement set forth the requirements of Utilities in effect at the time of the annexation of the Owners' Property. These provisions shall not be construed as a limitation upon the authority of the City or Utilities to adopt different ordinances, rules, regulations, resolutions, policies or codes which change any of the provisions set forth in this Agreement so long as these apply to the City generally.

VII. GROUNDWATER CONSENT

A. Grant to the City. Owners grant in perpetuity to the City the sole and exclusive right to use any and all groundwater underlying or appurtenant to and used upon the Property. Owners irrevocably consent, sell and convey to the City, in perpetuity, on behalf of themselves and any and all successors in title, pursuant to C.R.S. § 37-90-137(4), as now existing or later amended, all rights to the withdrawal and use of all groundwater underlying the Property. The execution of this Agreement shall constitute a conveyance of all groundwater rights to the City without the necessity of a separate deed. However, if requested by the City, Owners agree to execute satisfactory deeds or other instruments conveying ownership and the right to withdraw for beneficial use any and all groundwater underlying or appurtenant to and used upon the Property. The City agrees that it shall obtain any and all easements necessary before construction and operation of any well on the Property. Wells constructed by the City outside the Property may withdraw groundwater under Owners' Property without additional consent.

The City agrees that any existing domestic or agricultural wells and other sources of water can continue to be utilized by the Owners until such time as water service is extended by the City to the Property and those Owners. This provision will include the temporary well constructed by Woodmen Valley Chapel to service its church and related facilities. Additionally, once City water service is extended to the Property, the City agrees that the existing wells can continue to be used by the owners for irrigation

of yards, fields and landscaping, but not for other domestic uses. The City also agrees that if the City is unable or unwilling to provide water to the Property, Owners, at their expense, will be entitled to obtain well permits as agents of the City and utilize those wells to provide that underground City water for use by the Property.

B. Groundwater Drainage. Owners shall also construct facilities, if determined necessary by the City Engineer and/or Utilities, for the safe discharge of all subsurface water into a drainage conveyance facility. Subsurface drainage conveyance facilities are not eligible for drainage basin credit or reimbursement.

VIII. PARKS

A. Platting. All land to be dedicated to the City for trail purposes will be platted by the Owners prior to dedication to the City. All land to be used as parks shall be platted and dedicated to the Special District or to another ownership entity such as the Woodmen Heights Property Owners Association (the "Association"). In consideration of Owners agreeing to construct, own and operate the parks within the Property, City agrees that the Property will not be required to pay any park fees at the time of platting or otherwise.

B. Construction of Parks. Owners agree to pay the costs of constructing all of the trails and parks as shown on the Master Plan. Proposed Improvements to the trail and park sites shall be submitted to the City Parks Department for review and approval in the City Parks Department's reasonable discretion to insure that all parks and trails meet current trail and park development standards at the time of construction. The costs of such improvements shall not be subject to reimbursement by the City. The Owners and the City shall also agree upon the timing and phasing of construction and improvements. The City will not program recreational activities in the park sites within the Property unless requested by the owner of the parks. Any request of the City by the owner of the parks to schedule the Parks will be subject to the City' review and approval, in the City's sole discretion. Trails and parks must remain accessible to the general public in perpetuity for parkland credit to be retained.

C. Maintenance. The parkland ownership entity will be responsible for perpetual maintenance of dedicated, constructed and improved parks to the standards developed by the Parks, Recreation and Cultural Services Department for these types of publicly accessible facilities.

D. Streets. The Owners or developer will plat and build streets adjacent to trails and parks without reimbursement by the City.

IX. PUBLIC LAND DEDICATION

Owners agree that all land dedicated or deeded to the City for municipal or utility purposes (including school sites) shall be free and clear of liens and encumbrances. All fees that would be applicable to the platting of land that is to be dedicated to the City (including school land, but excluding park land which will not be dedicated to the City) shall be paid by Owners. Fees will be required on the gross acreage of land dedicated as of the date of the dedication in accord with the fee requirements in effect as of the date of the dedication. All dedications shall be platted by the Owners prior to conveyance, unless otherwise waived by the City.

X. FIRE PROTECTION

The Owners acknowledge that the Property is located within the boundaries of the Black Forest Fire Rescue Protection District (the "Fire District") and is subject to property taxes payable to the Fire District for its services. The Owners further acknowledge that, after annexation of the Property to the City, the Property will continue to remain within the boundaries of the Fire District until such time as the Property is excluded from the boundaries of the Fire District. After annexation of the Property to the City, fire protection services will be provided by the City through its Fire Department and by the Fire District unless and until the Property is excluded from the Fire District. After annexation, the Property will be assessed

property taxes payable to both the City and the Fire District until such time as the Property is excluded from the boundaries of the Fire District.

The Owners understand and acknowledge that the Property may be excluded from the boundaries of the Fire District under the provisions applicable to special districts, Article 1 of Title 32 C.R.S., and as otherwise provided by law. Upon request by the City, the person who owns the Property at the time of the City's request agrees to apply to the Fire District for exclusion of the Property from the Fire District.

XI.
FIRE PROTECTION FEE

The Owners agree to pay a fee of \$863.00 per acre as their share of the capital cost of a new fire station and the initial apparatus purchase required to service this annexation as well as adjacent areas of future annexation. This fee is payable prior to the issuance of the initial subdivision plat within each phase of development as identified in **Exhibit B**, attached and made a part of this Agreement. The fee will be adjusted annually using the prior year Denver/Boulder Consumer Price Index (CPI) as stated by the U.S. Department of Labor, Bureau of Labor Statistics (BLS). The City agrees as future annexations occur within the service area of the proposed fire station the owners of future annexations will be required to pay a per-acre fee to the City for the capital improvements to the fire station.

XII
SPECIAL DISTRICT

The Owners are in the process of forming one or more special districts (collectively referred to as the "District") to assist in the engineering, planning, design, construction, operation and maintenance of many of the improvements required by this Agreement or for the overall development of the Property. The City acknowledges the Owners' intent to form and utilize the District, and agrees that the District may own and operate the parks required to be installed pursuant to this Agreement, and that the District may participate in cost recovery ordinances of the City for improvements installed by the District.

XIII.
PHASING

The Owners have developed a conceptual phasing plan for the overall development of the Property, **Exhibit B** (the "Phasing Plan"). The Phasing Plan indicates the timing required for installation of the various infrastructure to accommodate the progressive and orderly development of the Property. The City accepts the Phasing Plan and agrees that the various items of infrastructure may be installed in accord with that Phasing Plan and that infrastructure will not be required to be installed in advance of that shown on the Phasing Plan.

XIV.
ORDINANCE COMPLIANCE

Owners will comply with all tariffs, policies, rules, regulations, ordinances, resolutions and codes of the City which now exist or are amended or adopted in the future, including those related to the subdivision and zoning of land, except as expressly modified by this Agreement. This Agreement shall not be construed as a limitation upon the authority of the City to adopt different tariffs, policies, rules, regulations, ordinances, resolutions and codes which change any of the provisions set forth in this Agreement so long as these apply to the City generally.

XV.
ASSIGNS AND DEED OF TRUST HOLDERS

Where as used in this Agreement, the term "the Owners" or "Property Owners," shall also mean any of the heirs, executors, personal representatives, transferees, or assigns of the Owners and all these parties shall have the right to enforce and be enforced under the terms of this Agreement as if they were the original parties hereto. Rights to specific refunds or payments contained in this Agreement shall always be to the Owners unless specifically assigned to another person.

By executing this Agreement, the financial institution or deed of trust holder agrees that: (1) should it become owner of the Property through foreclosure or otherwise that it will be bound by the terms and conditions of this Agreement to the same extent as Owners; and (2) should it become owner of the Property, any provisions in its deed of trust or other agreements pertaining to the Property in conflict with this Agreement shall be subordinate to and superseded by the provisions of this Agreement.

XVI.
RECORDING

This Agreement shall be recorded with the Clerk and Recorder of El Paso County, Colorado, and constitute a covenant running with the land. This Agreement shall be binding on future assigns of the Owners and all other persons who may purchase any of the Property from the Owners or any persons later acquiring an interest in the Property. Any refunds made under the terms of this Agreement shall be made to the Owners and not subsequent purchasers or assigns of the Property unless the purchase or assignment specifically provides for payment to the purchaser or assignee and a copy of that document is filed with the City.

XVII.
AMENDMENTS

This Agreement may be amended by any party, including their respective successors, transferees, or assigns, and the City without the consent of any other party or its successors, transferees, or assigns so long as the amendment applies only to the property owned by the amending party. For the purposes of this article, an amendment shall be deemed to apply only to the property owned by the amending party if this Agreement remains in full force and effect as to the property owned by any non-amending party.

Any amendment shall be recorded in the records of El Paso County, shall be a covenant running with the land, and shall be binding on all persons or entities presently possessing or later acquiring an interest in the Property subject to the amendment unless otherwise specified in the amendment.

XVIII.
HEADINGS

The headings set forth in the Agreement for the different sections of the Agreement are for reference only and shall not be construed as an enlargement or abridgment of the language of the Agreement.

XIX.
DEFAULT AND REMEDIES

If either party fails to perform any material obligation under this Agreement, and fails to cure the default within thirty (30) days following notice from the non-defaulting party of that breach, then a breach of this Agreement will be deemed to have occurred and the non-defaulting party will be entitled, at its election, to either cure the default and recover the cost thereof from the defaulting party, or pursue and obtain against the defaulting party an order for specific performance of the obligations under this Agreement and, in either instance, recover any actual damages incurred by the non-defaulting party as a result of that breach, including recovery of its costs and reasonable attorneys' fees incurred in the enforcement of this Agreement, as well as any other remedies provided by law. Notwithstanding the foregoing, the City agrees that Owners will have no responsibility for completing any on- or off-site improvements or otherwise complying with any other construction or payment obligations contained in this Agreement until such time as Owners actually commence development on or within the Property by obtaining a building permit for construction within the Property, at which time all of the obligations upon Owners contained herein will be fully enforceable by the City.

XX.
GENERAL

Except as specifically provided herein, City agrees to treat Owners and the Property in a non-discriminatory manner relative to the rest of the City. In addition, any consent or approval required hereunder from the City shall not be unreasonably withheld, conditioned or delayed. City agrees not to impose any fee, levy or tax or impose any conditions upon the approval of development requests, platting, zoning or issuance of any building permits for the Property, or make any assessment on the Property that is not uniformly applied throughout the City, except as specifically provided in this Agreement or the City Code. If the annexation of the Property or any portion thereof is challenged by a referendum all provisions of this Agreement, together with the duties and obligations of each party, shall be suspended, pending the outcome of the referendum election. If the referendum challenge to the annexation results in the disconnection of the Property from the City, then this Agreement and all provisions contained herein shall be null and void and of no further effect. If the referendum challenge fails, then Owners and City shall continue to be bound by all terms and provisions of this Agreement.

XXI.
SEVERABILITY

If any provision of this Agreement is for any reason and to any extent held to be invalid or unenforceable, then neither the remainder of the document nor the application of the provisions to other entities, persons, or circumstances, shall be affected thereby but instead shall be enforceable to the maximum extent permitted by law, provided, however, that it would not be inequitable to the party against whom the Agreement is being enforced under the facts and circumstances there pertaining.

XXII.
TERM

This Agreement shall be in force and effect for a period of twenty (20) years from the effective date hereof or until all terms and conditions contained herein have been complied with, whichever occurs first. Thereafter, so long as the Property is located within the municipal boundaries of the City, it shall be subject to the uniform ordinances, rules and regulations of the City generally applicable throughout the City on a non-discriminatory basis. Upon the request of Owners, the City agrees from time to time to provide a statement upon which Owners or a purchaser of the Property can rely indicating whether there are any known defaults under this Agreement and whether there remain any obligations of Owners for installation or maintenance of any public improvements or any payment therefor.

SIGNATURE PAGES FOLLOW

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first written above.

CITY OF COLORADO SPRINGS

BY: *Paul Rivera*
MAYOR

ATTEST:

BY: *Kathryn M. Young*
CITY CLERK

APPROVED AS TO FORM:

BY: *Wynette Massey*
CITY ATTORNEY

Owners:

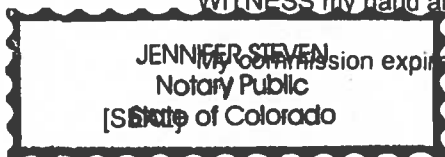
The Robert W. Kinzler Revocable Living Trust

By: Robert W. Kinzler
Its: Trustee
Evelyn M. Kinzler

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

Acknowledged before me this 23rd day of July, 2004, by Robert W. Kinzler as Trustee of The Robert W. Kinzler Revocable Living Trust.

WITNESS my hand and official seal.



My Commission Expires: 9/30/06

Jennifer Steven
Notary Public

My Commission Expires Sept. 30, 2006

The Evelyn M. Kinzler Revocable Living Trust

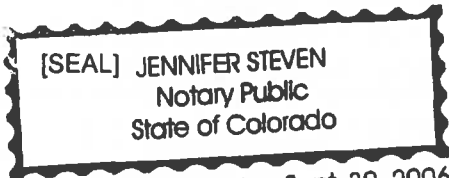
By: Evelyn M. Kinzler
Its: Trustee
Robert W. Kinzler

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

Acknowledged before me this 23rd day of July, 2004, by Evelyn M. Kinzler as Trustee of The Evelyn M. Kinzler Revocable Living Trust.

WITNESS my hand and official seal.

My commission expires: 9/30/06



My Commission Expires Sept. 30, 2006

Jennifer Steven
Notary Public

RETURN TO LYDIA-WILL PICK UP
MC 1378

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

LEGAL DESCRIPTION:

A PORTION OF SECTION 8, TOWNSHIP 13 SOUTH, RANGE 65 WEST, OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO;

BASIS OF BEARINGS:

THE EAST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 8, TOWNSHIP 13 SOUTH, RANGE 65 WEST, OF THE SIXTH PRINCIPAL MERIDIAN, MONUMENTED AT THE NORTH END BY A 3.25" ALUMINUM CAP STAMPED LS 17496, AND AT THE SOUTH END BY A NO. 5 REBAR WITH ALUMINUM CAP STAMPED LS 7228, ASSUMED TO BEAR S00°17'36"E, A DISTANCE OF 1327.58 FEET.

COMMENCING AT THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 8, TOWNSHIP 13 SOUTH, RANGE 65 WEST, OF THE 6TH P.M., EL PASO COUNTY, COLORADO, ALSO BEING THE POINT OF BEGINNING;

THENCE S89°07'07"W, ON THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 8, A DISTANCE OF 1321.52 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 8;

THENCE N00°17'39"W, ON THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 8, A DISTANCE OF 433.42 FEET;

THENCE N89°07'07"E, A DISTANCE OF 1321.52 FEET TO A POINT ON THE EAST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 8;

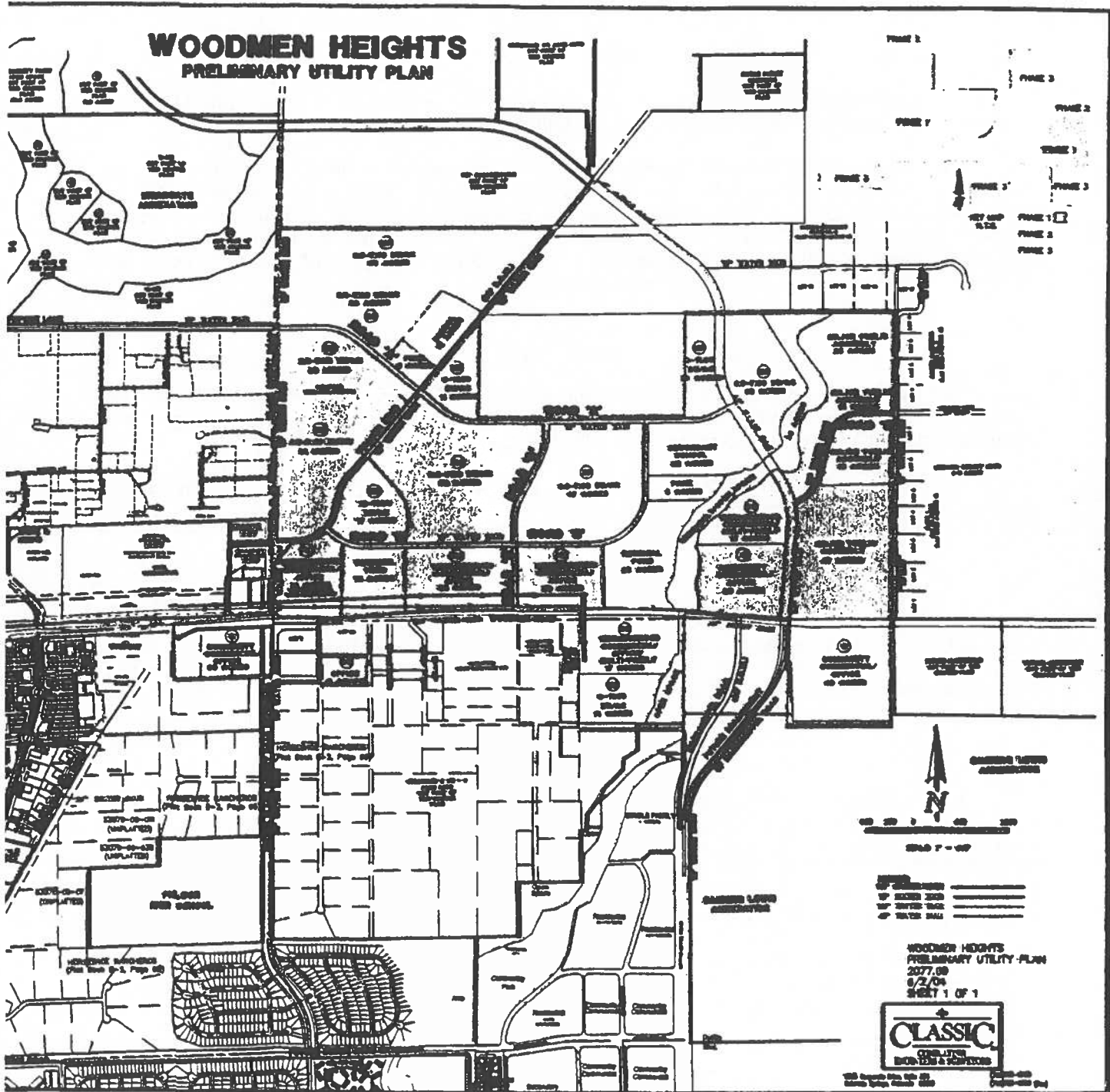
THENCE S00°17'36"E, ON SAID EAST LINE, A DISTANCE OF 433.42 FEET TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 13.149 ACRES MORE OR LESS.

**RETURN TO LYDIA-WILL PICK UP
MC 1378**

EXHIBIT B
PHASING PLAN

RETURN TO LYDIA-WILL PICK UP
MC 1378



RETURN TO LYDIA-WILL PICK UP
MC 1378

**WOODMEN HEIGHTS NO. 2
ANNEXATION AGREEMENT**

THIS ANNEXATION AGREEMENT (this "Agreement"), dated this 30th day of July, 2004, is between the City of Colorado Springs, a home rule city and Colorado municipal corporation (the "City"), and The Robert W. Kinzler Revocable Living Trust, The Evelyn M. Kinzler Revocable Living Trust, and SWAT X, LLC, a Colorado limited liability company (collectively referred to as "Owners" or the "Property Owners").

I.
INTRODUCTION

The Owners own all of the real property located in El Paso County, Colorado, identified and described in the legal description attached hereto as **Exhibit A** (the "Property").

The growth of the Colorado Springs metropolitan area makes it likely that the Property will experience development in the future and the Property is identified in the City Annexation Plan as recommended for annexation. Subject to the terms and conditions set forth herein, both the City and the Owners wish to annex the Property into the City to ensure its orderly development. In consideration of the mutual covenants contained in this Agreement, the receipt and sufficiency of which are acknowledged by each of the parties, the City and the Owners agree as follows.

II.
ANNEXATION

The Owners have petitioned the City for annexation of the Property as set forth in **Exhibit A**. The annexation will become effective upon final approval by the City Council and the recording of the annexation plat and annexation ordinance with the El Paso County Clerk and Recorder.

All references to the Property or to the Owners' Property are to the Property described in **Exhibit A** except as otherwise indicated.

III.
LAND USE

A Master Plan for the Property, Woodmen Heights Master Plan, has been proposed and submitted to the City for approval. Owners will comply with the approved Master Plan or an amended Master Plan approved in accord with applicable provisions of the Code of the City of Colorado Springs 2001, as amended or recodified ("City Code").

IV.
ZONING

A. Zoning. The City Planning and Community Development Department of the City agrees to recommend that the initial zone for the Owners' Property shall be Agricultural (A) upon annexation. While zoned A, a development plan shall be required for any use requiring a building permit except for agricultural uses. Owners acknowledge and understand that the City Council determines what is an appropriate zone for the Property, and this recommendation does not bind the Planning Commission or City Council to adopt an Agricultural zone for the Property.

B. Rezoning. Rezoning shall conform to the Master Plan, as approved or as amended by the City in the future. Rezoning in accord with the land uses reflected on the Master Plan will occur prior to actual development of the site.

V.
PUBLIC FACILITIES

A. Street / Traffic. The Owners agree to construct, at the Owners' expense (unless provided by the Woodmen Road Metropolitan District as defined below (V.1.b.)) those street and/or traffic

improvements within the Property and those street and/or traffic improvements adjacent to or within the Property that are more particularly described below. All street and/or traffic improvements shall be under the provisions of the City Subdivision Ordinance, Chapter 7 of the City Code. These improvements shall also include mutually acceptable dedications of right-of-way and easements, and extension of streets and right-of-way. The provisions of City Code §§ 7.7.706 (Reimbursements) are excluded. City participation or reimbursement for Arterial Streets within the Property will not be allowed.

1. Woodmen Road.

a. General. Woodmen Road shall be designated, designed and constructed to meet City of Colorado Springs Public Works design standards as identified and in accord with the County Major Thoroughfare Plan and the City Intermodal Transportation Plan. In the future, it may be necessary to improve Woodmen Road beyond the level contemplated by this Agreement at this time. The specifications for future improvements for which Owners are ultimately responsible to the extent they are not installed by the District will be determined at the time of development plan approval. Notwithstanding the foregoing, Owners' responsibility is for the construction of Woodmen Road where it is adjacent to the Property and related turning movement lanes and acceleration and deceleration lanes for access into the Property in order to meet City standards for those Improvements.

b. Woodmen Road Metropolitan District. The City has previously entered into an Intergovernmental Agreement Concerning Woodmen Road with the Woodmen Road Metropolitan District (the "District") approved February 25, 2003 (the "IGA"). The IGA provides for construction by the District of improvements required by the City. If the District does not complete all of the required Improvements adjacent to the Property prior to the time that the Owners desire to commence construction of Improvements on the Property, in order to satisfy the City that the additional Improvements where adjacent to the Property will be constructed, Owners must either: (1) post reliable and approved surety with the City in an amount and form approved by the City in order to assure the availability of funds to construct said Improvements; or (2) arrange for a further or amended intergovernmental agreement ("Amended IGA") between the District and the City whereby the District agrees to finance and construct all of said Improvements according to a schedule agreed to by the City, which Amended IGA contemplates a review by the City of the financial plan and related bond documents of the District.

c. Right-of Way. The District has previously acquired the necessary right-of-way for Woodmen Road where adjacent to the Property (total right-of-way of two hundred ten feet (210')) and the Owners agree to dedicate any additional right-of-way as may be required for the approach to Black Forest Road or Marksheffel Road and the other access locations to accommodate projected turning movements to meet City standards, as determined by the Woodmen Corridor design. Further, it is understood that all current and future street and/or traffic improvements shall be pursuant to the provisions of the City Subdivision Ordinance, Chapter 7 of the City Code. The City has no objections to the right-in, right-out accesses from Woodmen Road into the Property as shown on the Master Plan.

2. Marksheffel Road. The Owners shall be responsible for all costs, including design, right-of-way dedication and construction, associated with Marksheffel Road, as a principal arterial street with one hundred sixty feet (160') of total right-of-way and with on-street bike lanes and a raised median, from the north end of the property and continuing south crossing Woodmen Road until it intersects with the existing City limits. The Owners shall plat and dedicate the full right-of-way for Marksheffel Road when requested by the City. Owners will be entitled to cost recovery for the extension of Marksheffel Road south of Woodmen Road in accord with Section 7.7.705.B. of the City Code (Subdivision Regulations).

3. Vollmer Road. Owners, at Owners' expense, will dedicate all necessary right-of-way needed for and construct Vollmer Road connecting with Black Forest Road as shown on the approved Master Plan for the Property. Owners will be responsible for upgrading Vollmer Road to meet City standards as a minor arterial road with a total of eighty feet (80') to one hundred twenty feet (120') of right-of-way required to be dedicated by Owners. The reason for the varying right-of-way width is to enable the proper transition of Vollmer Road from the jurisdiction of the City to El Paso County. The parties acknowledge that El Paso County is currently studying Vollmer Road and may in the future downgrade the classification of the road. Should that happen, the City agrees that the right-of-way for

Vollmer Road may be reduced to match the ultimate design of Vollmer Road as determined by El Paso County.

4. Black Forest Road. The Owners will be responsible for dedicating one-half (1/2) of the necessary right-of-way for, and constructing Black Forest Road so that Black Forest Road has four (4) lanes and meets City standards for a principal arterial road with a total right-of-way of one hundred twenty feet (120') from its intersection with Woodmen Road north to the northern boundary of the Property. Owners or the District (as defined in Section XII of this Agreement) will be entitled to cost recovery for the costs to construct and improve the west one-half (1/2) of Black Forest Road from owners having frontage on said road in accord with Section 7.7.705.B. of the City Code (Subdivision Regulations).

5. Black Forest Road Cottonwood Creek Crossing. Owners acknowledge that there is a need to construct the Black Forest Road bridge or box culvert, as applicable, across Cottonwood Creek. The Owners, either directly or through the Districts, shall construct the bridge or box culvert over Cottonwood Creek prior to the expiration of the second phase of the development but in any case prior to December 31, 2011. The City commits to acquire the necessary right-of-way and easements necessary for the construction of the bridge through the development process and/or through its powers of eminent domain. The owners will be eligible for reimbursement as applicable, per Section 7.7.1001-1006 (Arterial Roadway Bridges) of the City Code. City participation or reimbursement for the costs of construction of the bridge or box culvert for the Black Forest Road Cottonwood Creek crossing will not be allowed.

6. Construction of Internal Public Street Network to Serve Property. It is recognized that there may be a need for certain Owners to construct portions of the internal public street network, as illustrated on the approved Woodmen Heights Master Plan, that are not adjacent to their property. In order to accommodate this situation, Owners shall dedicate the full right-of-way for any internal public streets, as illustrated on the approved Master Plan, and a temporary construction easement as reasonably required to complete construction of those internal roads, at any time requested by the City or by an Owner that intends to commence development. Additionally, Owners who incur costs associated with the design and construction of internal public streets within the Property shall be eligible for Cost Recovery from Owners having frontage on said street in accord with Section 7.7.705.B. of the City Code (Subdivision Regulations).

B. Marksheffel Road Sand Creek Crossing. The Owners shall construct the Marksheffel Road bridge or box culvert, as applicable, across Sand Creek at their expense. The owners will be eligible for fifty percent (50%) reimbursement for the construction cost of the bridge or box culvert, as applicable, per section 7.7.1001-1006 (Arterial Roadway Bridges) of the City Code.

C. Traffic Control Devices and Street Lights. As required herein, the Owners shall pay for installation of traffic and street signs, striping, and traffic control devices, permanent barriers, and street lights, together with all associated conduit for all streets within or contiguous to the Property as mutually determined necessary by the parties, and in accord with uniformly applied criteria set forth by the City. The City agrees that the traffic signal at the intersection of Woodmen Road and Marksheffel Road may be installed by the Woodmen Road Metro District rather than by Owners, but Owners will remain responsible for that traffic signal if the District does not fund it. Streetlights will be required on collector and larger streets or at intersections for public safety as reasonably determined necessary by the City and Utilities. Traffic signals will be installed only after the intersection warrants such signals, as outlined in the Manual on Uniform Traffic Control Devices in use at the time or another nationally accepted standard. Once the intersection meets the outlined criteria, the City will notify the Owners in writing and the Owners will install the traffic signal within one hundred eighty (180) days after receipt of that notice. The Owners will be responsible for all components of the traffic signal, except the City will supply the controller equipment and cabinet (the reasonable costs therefor to be reimbursed by the Owners). If not provided by the District, the Owners will be responsible for purchasing and installing Intelligent Transportation Systems (ITS) for transit and smart bus stops in the development and along adjacent arterials to the development. This includes Woodmen Road. The level of ITS infrastructure will be determined as the level of transit service develops in the area; however, after the initial installation of the ITS, the Owners shall have no obligation for operating, maintaining, repairing or upgrading such systems. The City shall be solely responsible for further operating, maintenance, repair and upgrading of the ITS.

D. Drainage. A Master Development Drainage Plan ("MDDP") shall be prepared and submitted by the Owners to the City and approved by the City Engineer, prior to recording the annexation plat. Final Drainage Reports and Plans shall be prepared and submitted by the Owners to the City and approved by the City Engineer, prior to recording subdivision plats. Owners shall comply with all drainage criteria, standards, policies and ordinances in effect at the time, including but not limited to the payment of any drainage, arterial bridge and detention pond fees and the reimbursement for drainage facilities constructed. Owners may in the future desire to have this property treated as a "closed" drainage basin which does not require payment of drainage, bridge, or detention pond fees and there is no reimbursement for drainage facilities constructed. This property may be treated as a "closed" basin subject to approval by the City Engineer, the Colorado Springs/El Paso County Drainage Board, and City Council of an amendment to the Sand Creek Drainage Basin Planning Study ("SCDBPS") that "closes" this portion of the Sand Creek basin and demonstrates 1) no adverse impact on other properties in Sand Creek and 2) no negative impact on the fiscal integrity of the Sand Creek Drainage Basin fee structure. Owners shall be responsible for conformance with the SCDBPS except that no storm drainage flows shall exit the property in excess of historic flow rates until the downstream drainage facilities on the main channel of Sand Creek between Woodmen Road and Constitution Avenue (to include Detention Pond No. 2 which is south of Barnes Road) are either in place in accord with the SCDBPS or the facilities that are in place are adequate to accept flows in excess of historic that Owners desire to release. In the alternative and subject to approval by the City Engineer, the Owners may agree to participate on an equitable basis in the construction of Detention Pond No. 2 in exchange for the approval to release storm flows at the flow rates specified in the SCDBPS.

VI. UTILITIES

A. Gas Service. The City agrees that it will extend gas service for annexed properties substantially within the existing Gas Service Area of the Colorado Springs Utilities (Utilities), as designated by the Colorado Public Utilities Commission. Annexation of any lands not in the currently existing Gas Service Area of the Utilities shall be added to the Gas Service Area of the Utilities, and proper certification by the Colorado Public Utilities Commission shall be obtained.

Utilities agrees that it will extend gas service to annexed properties under its tariffs, ordinances, and rules and regulations in effect at the time of any specific gas service request. Availability will be covered by tariffs, ordinances and rules and regulations in effect at the time of the request. Annexation does not imply supply guarantee. Gas service is also contingent upon the availability of public right-of-way or private right-of-way provided by the Owners which will allow the extension of gas mains from existing facilities.

Owners agree to dedicate or otherwise convey to the Utilities at the Owners' expense, necessary easements as determined by Utilities for the installation of gas transmission and distribution facilities. Conveyance shall be made at the time of platting or at such time prior to the development of the Property as determined by Utilities.

Owners of annexed properties will agree to provide the appropriate number of gas regulation sites. The number and location of these sites shall be determined by Utilities. These regulation sites are not subject to reimbursement and will be deeded to Utilities.

B. Electric Service. Utilities agrees that it will extend electric service to the Property in accord with the rules and regulations established by the ordinances, resolutions, policies and safety codes of the Regional Building Department and Utilities in effect at the time of development. Availability of electric service will be covered by tariffs, ordinances and regulations in effect at the time that service is requested. Owners may be required to enter into a Revenue Guarantee Contract for the extension of electric service as determined by Utilities at the time of development. Annexation does not imply supply guarantee. Owners agree to dedicate or otherwise convey to the City, at the Owners' expense, necessary easements as determined by the City for the installation of electric transmission and distribution facilities. Conveyance shall be made at the time of platting or at such time prior to the development of the Property as determined by Utilities. Any costs incurred in the acquisition of electric service territory as a result of C.R.S. § 31-15-707 or § 40-9.5-201, *et seq.*, shall be borne by the Owners.

C. Wastewater Service. Owners will extend wastewater main line or service lines to the Property and upon the Property at its expense in accord with the City's ordinances and Utility regulations in effect at the time of each specific wastewater request for service. Capacity of the system or treatment facility is not guaranteed by annexation, but by availability of service at the time of request.

Owners agree to dedicate or otherwise convey to Utilities at the Owners' expense, necessary easements as determined by Utilities for the installation of wastewater collection facilities. Conveyance shall be made at the time of platting or at such time prior to the development of the Property as determined by the Utilities.

Owners agree they will pay a pro rata share of the treatment plant facility costs through the established wastewater system development charge. They will pay their pro rata share of existing trunk sewer costs through established recovery agreement charges. Collection facilities required to serve the Property must be designed and constructed at the Owners' expense and will be required to be oversized to serve adjacent undeveloped land within the basin planning area boundaries.

Owners agree they will be required to participate with other developments on a fair share pro rata basis in the present and future off-site relief sewers. Owners will be entitled to enter into appropriate recovery agreements and to recover in accord with ordinances and regulations then in effect by the City.

D. Water Service. Owners or Utilities will extend water service to the Property in accord with the ordinances and regulations in effect at the time of the specific water request. The first-come, first-served policy will govern availability of supply. No guarantee of service is made by annexation. Owners agree to dedicate or otherwise convey to Utilities, at the Owners' expense, necessary easements as determined by the City for the installation of water transmission and distribution facilities. Conveyance shall be made at the time of platting or at such time prior to the development of the Property as determined by the Utilities.

E. Cost Recovery. Utilities agrees to develop a map indicating the areas outside of the Property that are serviced by utilities extended by the Property and develop a cost recovery agreement and mechanism so that cost recovery to the Property or Special District is required of those benefited areas.

F. Limitation of Applicability. The provisions of this Agreement set forth the requirements of Utilities in effect at the time of the annexation of the Owners' Property. These provisions shall not be construed as a limitation upon the authority of the City or Utilities to adopt different ordinances, rules, regulations, resolutions, policies or codes which change any of the provisions set forth in this Agreement so long as these apply to the City generally.

VII. GROUNDWATER CONSENT

A. Grant to the City. Owners grant in perpetuity to the City the sole and exclusive right to use any and all groundwater underlying or appurtenant to and used upon the Property. Owners irrevocably consent, sell and convey to the City, in perpetuity, on behalf of themselves and any and all successors in title, pursuant to C.R.S. § 37-90-137(4), as now existing or later amended, all rights to the withdrawal and use of all groundwater underlying the Property. The execution of this Agreement shall constitute a conveyance of all groundwater rights to the City without the necessity of a separate deed. However, if requested by the City, Owners agree to execute satisfactory deeds or other instruments conveying ownership and the right to withdraw for beneficial use any and all groundwater underlying or appurtenant to and used upon the Property. The City agrees that it shall obtain any and all easements necessary before construction and operation of any well on the Property. Wells constructed by the City outside the Property may withdraw groundwater under Owners' Property without additional consent.

The City agrees that any existing domestic or agricultural wells and other sources of water can continue to be utilized by the Owners until such time as water service is extended by the City to the Property and those Owners. This provision will include the temporary well constructed by Woodmen Valley Chapel to service its church and related facilities. Additionally, once City water service is extended to the Property, the City agrees that the existing wells can continue to be used by the owners for irrigation

of yards, fields and landscaping, but not for other domestic uses. The City also agrees that if the City is unable or unwilling to provide water to the Property, Owners, at their expense, will be entitled to obtain well permits as agents of the City and utilize those wells to provide that underground City water for use by the Property.

B. Groundwater Drainage. Owners shall also construct facilities, if determined necessary by the City Engineer and/or Utilities, for the safe discharge of all subsurface water into a drainage conveyance facility. Subsurface drainage conveyance facilities are not eligible for drainage basin credit or reimbursement.

VIII. PARKS

A. Platting. All land to be dedicated to the City for trail purposes will be platted by the Owners prior to dedication to the City. All land to be used as parks shall be platted and dedicated to the Special District or to another ownership entity such as the Woodmen Heights Property Owners Association (the "Association"). In consideration of Owners agreeing to construct, own and operate the parks within the Property, City agrees that the Property will not be required to pay any park fees at the time of platting or otherwise.

B. Construction of Parks. Owners agree to pay the costs of constructing all of the trails and parks as shown on the Master Plan. Proposed improvements to the trail and park sites shall be submitted to the City Parks Department for review and approval in the City Parks Department's reasonable discretion to insure that all parks and trails meet current trail and park development standards at the time of construction. The costs of such improvements shall not be subject to reimbursement by the City. The Owners and the City shall also agree upon the timing and phasing of construction and improvements. The City will not program recreational activities in the park sites within the Property unless requested by the owner of the parks. Any request of the City by the owner of the parks to schedule the Parks will be subject to the City's review and approval, in the City's sole discretion. Trails and parks must remain accessible to the general public in perpetuity for parkland credit to be retained.

C. Maintenance. The parkland ownership entity will be responsible for perpetual maintenance of dedicated, constructed and improved parks to the standards developed by the Parks, Recreation and Cultural Services Department for these types of publicly accessible facilities.

D. Streets. The Owners or developer will plat and build streets adjacent to trails and parks without reimbursement by the City.

IX. PUBLIC LAND DEDICATION

Owners agree that all land dedicated or deeded to the City for municipal or utility purposes (including school sites) shall be free and clear of liens and encumbrances. All fees that would be applicable to the platting of land that is to be dedicated to the City (including school land, but excluding park land which will not be dedicated to the City) shall be paid by Owners. Fees will be required on the gross acreage of land dedicated as of the date of the dedication in accord with the fee requirements in effect as of the date of the dedication. All dedications shall be platted by the Owners prior to conveyance, unless otherwise waived by the City.

X. FIRE PROTECTION

The Owners acknowledge that the Property is located within the boundaries of the Black Forest Fire Rescue Protection District (the "Fire District") and is subject to property taxes payable to the Fire District for its services. The Owners further acknowledge that, after annexation of the Property to the City, the Property will continue to remain within the boundaries of the Fire District until such time as the Property is excluded from the boundaries of the Fire District. After annexation of the Property to the City, fire protection services will be provided by the City through its Fire Department and by the Fire District unless and until the Property is excluded from the Fire District. After annexation, the Property will be assessed

property taxes payable to both the City and the Fire District until such time as the Property is excluded from the boundaries of the Fire District.

The Owners understand and acknowledge that the Property may be excluded from the boundaries of the Fire District under the provisions applicable to special districts, Article 1 of Title 32 C.R.S., and as otherwise provided by law. Upon request by the City, the person who owns the Property at the time of the City's request agrees to apply to the Fire District for exclusion of the Property from the Fire District.

XI.
FIRE PROTECTION FEE

The Owners agree to pay a fee of \$863.00 per acre as their share of the capital cost of a new fire station and the initial apparatus purchase required to service this annexation as well as adjacent areas of future annexation. This fee is payable prior to the issuance of the initial subdivision plat within each phase of development as identified in Exhibit B, attached and made a part of this Agreement. The fee will be adjusted annually using the prior year Denver/Boulder Consumer Price Index (CPI) as stated by the U.S. Department of Labor, Bureau of Labor Statistics (BLS). The City agrees as future annexations occur within the service area of the proposed fire station the owners of future annexations will be required to pay a per-acre fee to the City for the capital improvements to the fire station.

XII
SPECIAL DISTRICT

The Owners are in the process of forming one or more special districts (collectively referred to as the "District") to assist in the engineering, planning, design, construction, operation and maintenance of many of the improvements required by this Agreement or for the overall development of the Property. The City acknowledges the Owners' intent to form and utilize the District, and agrees that the District may own and operate the parks required to be installed pursuant to this Agreement, and that the District may participate in cost recovery ordinances of the City for improvements installed by the District.

XIII.
PHASING

The Owners have developed a conceptual phasing plan for the overall development of the Property, Exhibit B (the "Phasing Plan"). The Phasing Plan indicates the timing required for installation of the various infrastructure to accommodate the progressive and orderly development of the Property. The City accepts the Phasing Plan and agrees that the various items of infrastructure may be installed in accord with that Phasing Plan and that infrastructure will not be required to be installed in advance of that shown on the Phasing Plan.

XIV.
ORDINANCE COMPLIANCE

Owners will comply with all tariffs, policies, rules, regulations, ordinances, resolutions and codes of the City which now exist or are amended or adopted in the future, including those related to the subdivision and zoning of land, except as expressly modified by this Agreement. This Agreement shall not be construed as a limitation upon the authority of the City to adopt different tariffs, policies, rules, regulations, ordinances, resolutions and codes which change any of the provisions set forth in this Agreement so long as these apply to the City generally.

XV.
ASSIGNS AND DEED OF TRUST HOLDERS

Where as used in this Agreement, the term "the Owners" or "Property Owners," shall also mean any of the heirs, executors, personal representatives, transferees, or assigns of the Owners and all these parties shall have the right to enforce and be enforced under the terms of this Agreement as if they were the original parties hereto. Rights to specific refunds or payments contained in this Agreement shall always be to the Owners unless specifically assigned to another person.

By executing this Agreement, the financial institution or deed of trust holder agrees that. (1) should it become owner of the Property through foreclosure or otherwise that it will be bound by the terms and conditions of this Agreement to the same extent as Owners; and (2) should it become owner of the Property, any provisions in its deed of trust or other agreements pertaining to the Property in conflict with this Agreement shall be subordinate to and superseded by the provisions of this Agreement.

XVI.
RECORDING

This Agreement shall be recorded with the Clerk and Recorder of El Paso County, Colorado, and constitute a covenant running with the land. This Agreement shall be binding on future assigns of the Owners and all other persons who may purchase any of the Property from the Owners or any persons later acquiring an interest in the Property. Any refunds made under the terms of this Agreement shall be made to the Owners and not subsequent purchasers or assigns of the Property unless the purchase or assignment specifically provides for payment to the purchaser or assignee and a copy of that document is filed with the City.

XVII.
AMENDMENTS

This Agreement may be amended by any party, including their respective successors, transferees, or assigns, and the City without the consent of any other party or its successors, transferees, or assigns so long as the amendment applies only to the property owned by the amending party. For the purposes of this article, an amendment shall be deemed to apply only to the property owned by the amending party if this Agreement remains in full force and effect as to the property owned by any non-amending party.

Any amendment shall be recorded in the records of El Paso County, shall be a covenant running with the land, and shall be binding on all persons or entities presently possessing or later acquiring an interest in the Property subject to the amendment unless otherwise specified in the amendment.

XVIII.
HEADINGS

The headings set forth in the Agreement for the different sections of the Agreement are for reference only and shall not be construed as an enlargement or abridgment of the language of the Agreement.

XIX.
DEFAULT AND REMEDIES

If either party fails to perform any material obligation under this Agreement, and fails to cure the default within thirty (30) days following notice from the non-defaulting party of that breach, then a breach of this Agreement will be deemed to have occurred and the non-defaulting party will be entitled, at its election, to either cure the default and recover the cost thereof from the defaulting party, or pursue and obtain against the defaulting party an order for specific performance of the obligations under this Agreement and, in either instance, recover any actual damages incurred by the non-defaulting party as a result of that breach, including recovery of its costs and reasonable attorneys' fees incurred in the enforcement of this Agreement, as well as any other remedies provided by law. Notwithstanding the foregoing, the City agrees that Owners will have no responsibility for completing any on- or off-site improvements or otherwise complying with any other construction or payment obligations contained in this Agreement until such time as Owners actually commence development on or within the Property by obtaining a building permit for construction within the Property, at which time all of the obligations upon Owners contained herein will be fully enforceable by the City.

XX
GENERAL

Except as specifically provided herein, City agrees to treat Owners and the Property in a non-discriminatory manner relative to the rest of the City. In addition, any consent or approval required hereunder from the City shall not be unreasonably withheld, conditioned or delayed. City agrees not to impose any fee, levy or tax or impose any conditions upon the approval of development requests, platting, zoning or issuance of any building permits for the Property, or make any assessment on the Property that is not uniformly applied throughout the City, except as specifically provided in this Agreement or the City Code. If the annexation of the Property or any portion thereof is challenged by a referendum all provisions of this Agreement, together with the duties and obligations of each party, shall be suspended, pending the outcome of the referendum election. If the referendum challenge to the annexation results in the disconnection of the Property from the City, then this Agreement and all provisions contained herein shall be null and void and of no further effect. If the referendum challenge fails, then Owners and City shall continue to be bound by all terms and provisions of this Agreement.

XXI.
SEVERABILITY

If any provision of this Agreement is for any reason and to any extent held to be invalid or unenforceable, then neither the remainder of the document nor the application of the provisions to other entities, persons or circumstances, shall be affected thereby but instead shall be enforceable to the maximum extent permitted by law, provided, however, that it would not be inequitable to the party against whom the Agreement is being enforced under the facts and circumstances there pertaining.

XXII.
TERM

This Agreement shall be in force and effect for a period of twenty (20) years from the effective date hereof or until all terms and conditions contained herein have been complied with whichever occurs first. Thereafter, so long as the Property is located within the municipal boundaries of the City, it shall be subject to the uniform ordinances, rules and regulations of the City generally applicable throughout the City on a non-discriminatory basis. Upon the request of Owners, the City agrees from time to time to provide a statement upon which Owners or a purchaser of the Property can rely indicating whether there are any known defaults under this Agreement and whether there remain any obligations of Owners for installation or maintenance of any public improvements or any payment therefor.

SIGNATURE PAGES FOLLOW

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first written above.

CITY OF COLORADO SPRINGS

BY: _____
MAYOR

ATTEST:

BY: _____
CITY CLERK

APPROVED AS TO FORM:

BY: Wendy H. Murray
CITY ATTORNEY

Owners:

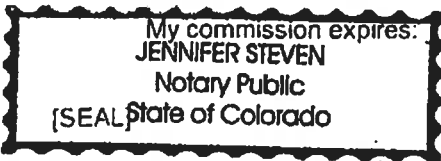
The Robert W. Kinzler Revocable Living Trust

By: Robert W. Kinzler
its. Trustee
Evelyn M. Kinzler

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

Acknowledged before me this 23rd day of July, 2004, by Robert W. Kinzler
as Trustee of The Robert W. Kinzler Revocable Living Trust.

WITNESS my hand and official seal.



My Commission Expires Sept. 30, 2006

Jennifer Steven
Notary Public

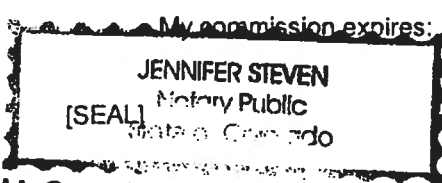
The Evelyn M. Kinzler Revocable Living Trust

By: Evelyn M. Kinzler
its. Trustee
Robert W. Kinzler

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

Acknowledged before me this 23rd day of July, 2004, by Evelyn M. Kinzler
as Trustee of The Evelyn M. Kinzler Revocable Living Trust.

WITNESS my hand and official seal.



My Commission Expires Sept. 30, 2006

Jennifer Steven
Notary Public

Deed of Trust Holders:

Marksheffel-Woodmen Investments, LLC, a Colorado limited liability company

By: [Signature]
Lindsay J. Case
Its: Co-Manager

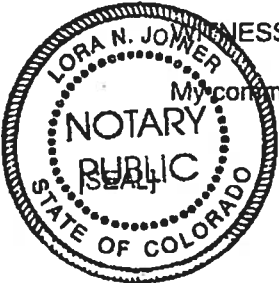
By: [Signature]
Randle W. Case II
Its: Co-Manager

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

Acknowledged before me this 4th day of August, 2004, by Lindsay J. Case and Randle W. Case II, as Co-Managers of Marksheffel-Woodmen Investments, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.

My commission expires: 06-07-2006



[Signature]
Notary Public

Bank Midwest

SEE ATTACHED "RATIFICATION OF ANNEXATION AGREEMENT"

By: _____
Its: _____

STATE OF _____)
) ss.
COUNTY OF _____)

Acknowledged before me this _____ day of _____, 2004, by _____,
as _____ of Bank Midwest.

WITNESS my hand and official seal.

My commission expires: _____

[SEAL]

Notary Public

LENDER:

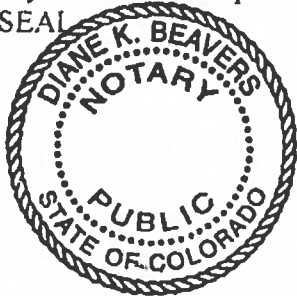
BANK MIDWEST, N.A.

By: [Signature]
Its: [Signature]

STATE OF Colorado)
COUNTY OF El Paso) SS

Acknowledged to me this 30th day of July, 2004, by
Tony Bettis as Vice President of Bank Midwest, N.A.

My commission expires: .
SEAL



My Commission Expires 01/14/2008

Notary Public
Diane K. Beavers

RATIFICATION OF ANNEXATION AGREEMENT

This Ratification of Annexation Agreement (the "Ratification") is made this 30th day of July, 2004, by **Bank Midwest, N.A.** ("Lender"), whose address is 1100 Main Street, Kansas City, Missouri 64105.

Recitals

WHEREAS, Lender is the holder of that certain Deed of Trust granted by SWAT X, LLC, a Colorado limited liability company ("Borrower") which was recorded in the real property records of El Paso County, Colorado on June 17, 2004 at Reception No. 204100841 (the "Deed of Trust"), which Deed of Trust encumbers that certain property described therein as the "Real Property."

WHEREAS, a portion of the Real Property is currently in the process of being annexed into the City of Colorado Springs (the "City") pursuant to the terms of the Woodmen Heights No. 2 Annexation Agreement attached hereto as Exhibit A (the "Annexation Agreement").

WHEREAS, as a condition to the annexation and to the recordation of the Annexation Plat and the Annexation Agreement for the Property, the City is requiring that Lender acknowledge and ratify the Annexation Agreement and the Annexation Plat, and Borrower has requested that Lender so acknowledge and ratify the Annexation Agreement and Annexation Plat.

NOW, THEREFORE, Lender hereby acknowledges and consents to the annexation of the Property into the City and ratifies and confirms the Annexation Agreement and consents to the recording of the Annexation Agreement and the Annexation Plat, and further agrees that neither the Annexation Agreement nor the Annexation Plat will be extinguished, revoked, rescinded or otherwise adversely impacted by any foreclosure or other enforcement action that Lender, its successors and assigns, may hereafter take under the Deed of Trust, and that the Property will at all times remain within the City and will remain subject to the terms of the Annexation Agreement notwithstanding any foreclosure or other enforcement action taken under the Deed of Trust.

Executed this 30th day of July, 2004.

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

LEGAL DESCRIPTION:

A TRACT OF LAND LOCATED IN PORTIONS OF SECTIONS 5 AND 8, TOWNSHIP 13 SOUTH, RANGE 65 SOUTH OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO,

BASIS OF BEARINGS: THE SOUTH LINE OF SECTION 5, TOWNSHIP 13 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, MONUMENTED AT THE EAST END BY A 3.25" ALUMINUM CAP STAMPED "LS 17496", AND AT THE WEST END BY A 3.25" ALUMINUM CAP STAMPED "LS 17496" ASSUMED TO BEAR S89°23'04"W, A DISTANCE OF 5221.44 FEET;

COMMENCING AT THE NORTHEAST CORNER OF SECTION 8, TOWNSHIP 13 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO,

THENCE S00°17'36"E, ON THE EAST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 8, A DISTANCE OF 30.00 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF WOODMEN ROAD AND THE POINT OF BEGINNING;

THENCE S00°17'36"E, ON SAID EAST LINE, A DISTANCE OF 864.15 FEET;

THENCE S89°07'07"W, A DISTANCE OF 1321.52 FEET TO A POINT ON THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 8;

THENCE N00°17'39"W, ON SAID WEST LINE, A DISTANCE OF 870.28 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY OF WOODMEN ROAD;

THENCE N00°17'39"W, A DISTANCE OF 220.73 FEET, TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF WOODMEN ROAD AS RECORDED UNDER RECEPTION NO. 202224865,

THENCE N00°17'39"W, A DISTANCE OF 1551.62 FEET;

THENCE N89°07'07"E, A DISTANCE OF 1321.56 FEET;

THENCE S00°17'36"E, A DISTANCE OF 1589.79 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF WOODMEN ROAD AS RECORDED UNDER RECEPTION NO. 202224865, RECORDS OF EL PASO COUNTY, COLORADO,

THENCE S00°17'36"E, A DISTANCE OF 188.70 FEET TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 80.168 ACRES.

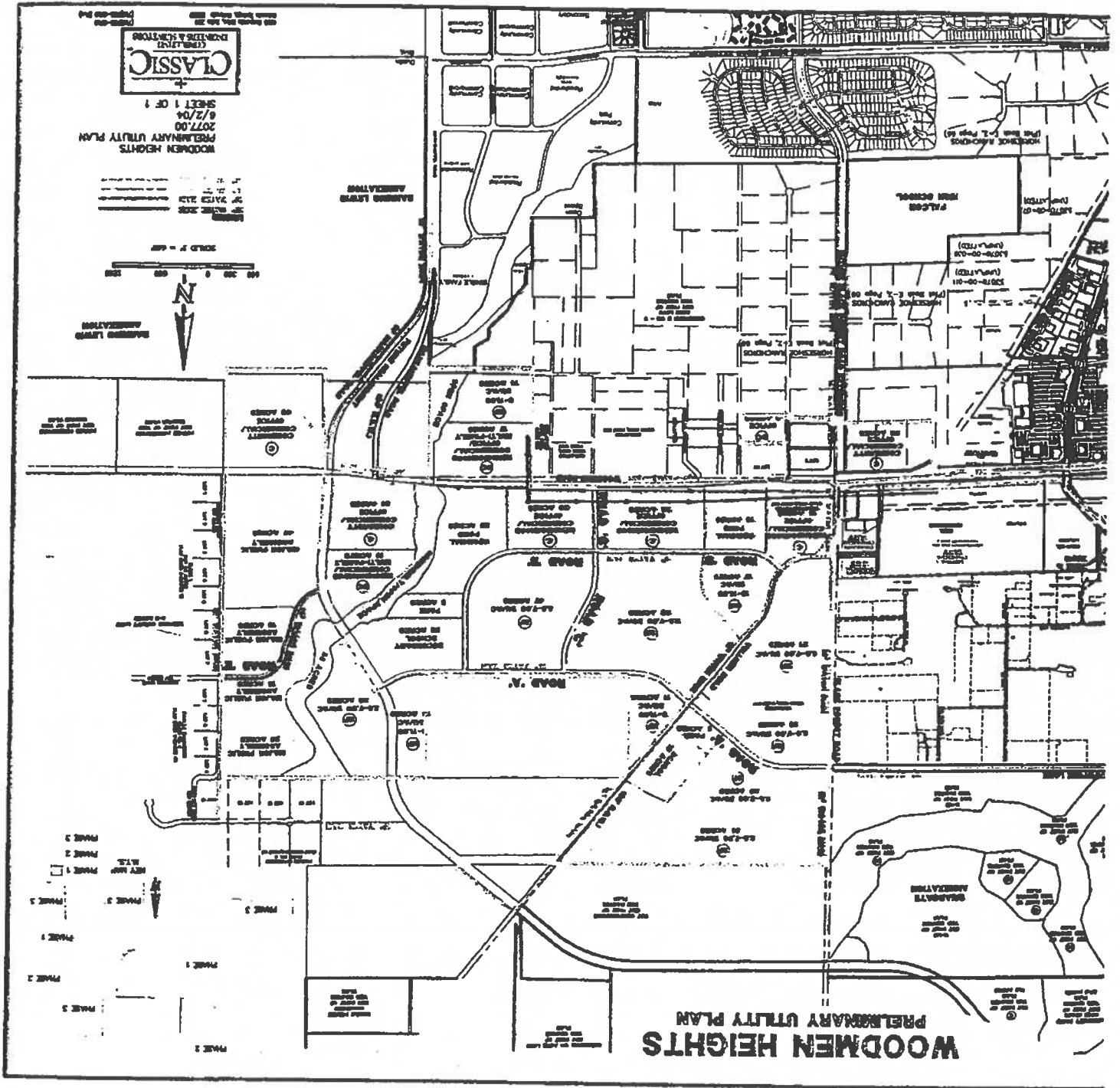


EXHIBIT B
PHASING PLAN

EXHIBIT A
ANNEXATION AGREEMENT
(See attached)

WOODMEN HEIGHTS NO. 3
ANNEXATION AGREEMENT

THIS ANNEXATION AGREEMENT (this "Agreement"), dated this 3rd day of August, 2004, is between the City of Colorado Springs, a home rule city and Colorado municipal corporation (the "City"), and Charles H. Caswell, Rose S. Caswell, Woodmen Valley Chapel, a Colorado non-profit corporation, and SWAT X, LLC, a Colorado limited liability company (collectively referred to as "Owners" or the "Property Owners").

I.
INTRODUCTION

The Owners own all of the real property located in El Paso County, Colorado, identified and described in the legal description attached hereto as **Exhibit A** (the "Property").

The growth of the Colorado Springs metropolitan area makes it likely that the Property will experience development in the future and the Property is identified in the City Annexation Plan as recommended for annexation. Subject to the terms and conditions set forth herein, both the City and the Owners wish to annex the Property into the City to ensure its orderly development. In consideration of the mutual covenants contained in this Agreement, the receipt and sufficiency of which are acknowledged by each of the parties, the City and the Owners agree as follows.

II.
ANNEXATION

The Owners have petitioned the City for annexation of the Property as set forth in **Exhibit A**. The annexation will become effective upon final approval by the City Council and the recording of the annexation plat and annexation ordinance with the El Paso County Clerk and Recorder.

All references to the Property or to the Owners' Property are to the Property described in **Exhibit A** except as otherwise indicated.

III.
LAND USE

A Master Plan for the Property, Woodmen Heights Master Plan, has been proposed and submitted to the City for approval. Owners will comply with the approved Master Plan or an amended Master Plan approved in accord with applicable provisions of the Code of the City of Colorado Springs 2001, as amended or recodified ("City Code").

IV.
ZONING

A. Zoning. The City Planning and Community Development Department of the City agrees to recommend that the initial zone for the Owners' Property shall be Agricultural (A) upon annexation. While zoned A, a development plan shall be required for any use requiring a building permit except for agricultural uses. Owners acknowledge and understand that the City Council determines what is an appropriate zone for the Property, and this recommendation does not bind the Planning Commission or City Council to adopt an Agricultural zone for the Property.

B. Rezoning. Rezoning shall conform to the Master Plan, as approved or as amended by the City in the future. Rezoning in accord with the land uses reflected on the Master Plan will occur prior to actual development of the site.

V.
PUBLIC FACILITIES

A. Street / Traffic. The Owners agree to construct, at the Owners' expense (unless provided by the Woodmen Road Metropolitan District as defined below (V.1.b.)) those street and/or traffic improvements within the Property and those street and/or traffic improvements adjacent to or within the Property that are more particularly described below. All street and/or traffic improvements shall be under the provisions of the City Subdivision Ordinance, Chapter 7 of the City Code. These improvements shall also include mutually acceptable dedications of right-of-way and easements, and extension of streets and right-of-way. The provisions of City Code §§ 7.7.706 (Reimbursements) are excluded. City participation or reimbursement for Arterial Streets within the Property will not be allowed.

1. Woodmen Road.

a. General. Woodmen Road shall be designated, designed and constructed to meet City of Colorado Springs Public Works design standards as identified and in accord with the County Major Thoroughfare Plan and the City Intermodal Transportation Plan. In the future, it may be necessary to improve Woodmen Road beyond the level contemplated by this Agreement at this time. The specifications for future improvements for which Owners are ultimately responsible to the extent they are not installed by the District will be determined at the time of development plan approval. Notwithstanding the foregoing, Owners' responsibility is for the construction of Woodmen Road where it is adjacent to the Property and related turning movement lanes and acceleration and deceleration lanes for access into the Property in order to meet City standards for those Improvements.

b. Woodmen Road Metropolitan District. The City has previously entered into an Intergovernmental Agreement Concerning Woodmen Road with the Woodmen Road Metropolitan District (the "District") approved February 25, 2003 (the "IGA"). The IGA provides for construction by the District of improvements required by the City. If the District does not complete all of the required Improvements adjacent to the Property prior to the time that the Owners desire to commence construction of Improvements on the Property, in order to satisfy the City that the additional Improvements where adjacent to the Property will be constructed, Owners must either: (1) post reliable and approved surety with the City in an amount and form approved by the City in order to assure the availability of funds to construct said Improvements; or (2) arrange for a further or amended intergovernmental agreement ("Amended IGA") between the District and the City whereby the District agrees to finance and construct all of said Improvements according to a schedule agreed to by the City, which Amended IGA contemplates a review by the City of the financial plan and related bond documents of the District.

c. Right-of Way. The District has previously acquired the necessary right-of-way for Woodmen Road where adjacent to the Property (total right-of-way of two hundred ten feet (210')) and the Owners agree to dedicate any additional right-of-way as may be required for the approach to Black Forest Road or Marksheffel Road and the other access locations to accommodate projected turning movements to meet City standards, as determined by the Woodmen Corridor design. Further, it is understood that all current and future street and/or traffic improvements shall be pursuant to the provisions of the City Subdivision Ordinance, Chapter 7 of the City Code. The City has no objections to the right-in, right-out accesses from Woodmen Road into the Property as shown on the Master Plan.

2. Marksheffel Road. The Owners shall be responsible for all costs, including design, right-of-way dedication and construction, associated with Marksheffel Road, as a principal arterial street with one hundred sixty feet (160') of total right-of-way and with on-street bike lanes and a raised median, from the north end of the property and continuing south crossing Woodmen Road until it intersects with the existing City limits. The Owners shall plat and dedicate the full right-of-way for Marksheffel Road when requested by the City. Owners will be entitled to cost recovery for the extension of Marksheffel Road south of Woodmen Road in accord with Section 7.7.705.B. of the City Code (Subdivision Regulations).

3. Vollmer Road. Owners, at Owners' expense, will dedicate all necessary right-of-way needed for and construct Vollmer Road connecting with Black Forest Road as shown on the approved Master Plan for the Property. Owners will be responsible for upgrading Vollmer Road to meet City standards as a minor arterial road with a total of eighty feet (80') to one hundred twenty feet (120') of

right-of-way required to be dedicated by Owners. The reason for the varying right-of-way width is to enable the proper transition of Vollmer Road from the jurisdiction of the City to El Paso County. The parties acknowledge that El Paso County is currently studying Vollmer Road and may in the future downgrade the classification of the road. Should that happen, the City agrees that the right-of-way for Vollmer Road may be reduced to match the ultimate design of Vollmer Road as determined by El Paso County.

4. Black Forest Road. The Owners will be responsible for dedicating one-half (1/2) of the necessary right-of-way for, and constructing Black Forest Road so that Black Forest Road has four (4) lanes and meets City standards for a principal arterial road with a total right-of-way of one hundred twenty feet (120') from its intersection with Woodmen Road north to the northern boundary of the Property. Owners or the District (as defined in Section XII of this Agreement) will be entitled to cost recovery for the costs to construct and improve the west one-half (1/2) of Black Forest Road from owners having frontage on said road in accord with Section 7.7.705.B. of the City Code (Subdivision Regulations).

5. Black Forest Road Cottonwood Creek Crossing. Owners acknowledge that there is a need to construct the Black Forest Road bridge or box culvert, as applicable, across Cottonwood Creek. The Owners, either directly or through the Districts, shall construct the bridge or box culvert over Cottonwood Creek prior to the expiration of the second phase of the development but in any case prior to December 31, 2011. The City commits to acquire the necessary right-of-way and easements necessary for the construction of the bridge through the development process and/or through its powers of eminent domain. The owners will be eligible for reimbursement as applicable, per Section 7.7.1001-1006 (Arterial Roadway Bridges) of the City Code. City participation or reimbursement for the costs of construction of the bridge or box culvert for the Black Forest Road Cottonwood Creek crossing will not be allowed.

6. Construction of Internal Public Street Network to Serve Property. It is recognized that there may be a need for certain Owners to construct portions of the internal public street network, as illustrated on the approved Woodmen Heights Master Plan, that are not adjacent to their property. In order to accommodate this situation, Owners shall dedicate the full right-of-way for any internal public streets, as illustrated on the approved Master Plan, and a temporary construction easement as reasonably required to complete construction of those internal roads, at any time requested by the City or by an Owner that intends to commence development. Additionally, Owners who incur costs associated with the design and construction of internal public streets within the Property shall be eligible for Cost Recovery from Owners having frontage on said street in accord with Section 7.7.705.B. of the City Code (Subdivision Regulations).

B. Marksheffel Road Sand Creek Crossing. The Owners shall construct the Marksheffel Road bridge or box culvert, as applicable, across Sand Creek at their expense. The owners will be eligible for fifty percent (50%) reimbursement for the construction cost of the bridge or box culvert, as applicable, per section 7.7.1001-1006 (Arterial Roadway Bridges) of the City Code.

C. Traffic Control Devices and Street Lights. As required herein, the Owners shall pay for installation of traffic and street signs, striping, and traffic control devices, permanent barriers, and street lights, together with all associated conduit for all streets within or contiguous to the Property as mutually determined necessary by the parties, and in accord with uniformly applied criteria set forth by the City. The City agrees that the traffic signal at the intersection of Woodmen Road and Marksheffel Road may be installed by the Woodmen Road Metro District rather than by Owners, but Owners will remain responsible for that traffic signal if the District does not fund it. Streetlights will be required on collector and larger streets or at intersections for public safety as reasonably determined necessary by the City and Utilities. Traffic signals will be installed only after the intersection warrants such signals, as outlined in the Manual on Uniform Traffic Control Devices in use at the time or another nationally accepted standard. Once the intersection meets the outlined criteria, the City will notify the Owners in writing and the Owners will install the traffic signal within one hundred eighty (180) days after receipt of that notice. The Owners will be responsible for all components of the traffic signal, except the City will supply the controller equipment and cabinet (the reasonable costs therefor to be reimbursed by the Owners). If not provided by the District, the Owners will be responsible for purchasing and installing Intelligent Transportation Systems (ITS) for transit and smart bus stops in the development and along adjacent arterials to the development. This includes Woodmen Road. The level of ITS infrastructure will be determined as the level of transit

service develops in the area; however, after the initial installation of the ITS, the Owners shall have no obligation for operating, maintaining, repairing or upgrading such systems. The City shall be solely responsible for further operating, maintenance, repair and upgrading of the ITS.

D. Drainage. A Master Development Drainage Plan ("MDDP") shall be prepared and submitted by the Owners to the City and approved by the City Engineer, prior to recording the annexation plat. Final Drainage Reports and Plans shall be prepared and submitted by the Owners to the City and approved by the City Engineer, prior to recording subdivision plats. Owners shall comply with all drainage criteria, standards, policies and ordinances in effect at the time, including but not limited to the payment of any drainage, arterial bridge and detention pond fees and the reimbursement for drainage facilities constructed. Owners may in the future desire to have this property treated as a "closed" drainage basin which does not require payment of drainage, bridge, or detention pond fees and there is no reimbursement for drainage facilities constructed. This property may be treated as a "closed" basin subject to approval by the City Engineer, the Colorado Springs/El Paso County Drainage Board, and City Council of an amendment to the Sand Creek Drainage Basin Planning Study ("SCDBPS") that "closes" this portion of the Sand Creek basin and demonstrates 1) no adverse impact on other properties in Sand Creek and 2) no negative impact on the fiscal integrity of the Sand Creek Drainage Basin fee structure. Owners shall be responsible for conformance with the SCDBPS except that no storm drainage flows shall exit the property in excess of historic flow rates until the downstream drainage facilities on the main channel of Sand Creek between Woodmen Road and Constitution Avenue (to include Detention Pond No. 2 which is south of Barnes Road) are either in place in accord with the SCDBPS or the facilities that are in place are adequate to accept flows in excess of historic that Owners desire to release. In the alternative and subject to approval by the City Engineer, the Owners may agree to participate on an equitable basis in the construction of Detention Pond No. 2 in exchange for the approval to release storm flows at the flow rates specified in the SCDBPS.

VI. UTILITIES

A. Gas Service. The City agrees that it will extend gas service for annexed properties substantially within the existing Gas Service Area of the Colorado Springs Utilities (Utilities), as designated by the Colorado Public Utilities Commission. Annexation of any lands not in the currently existing Gas Service Area of the Utilities shall be added to the Gas Service Area of the Utilities, and proper certification by the Colorado Public Utilities Commission shall be obtained.

Utilities agrees that it will extend gas service to annexed properties under its tariffs, ordinances, and rules and regulations in effect at the time of any specific gas service request. Availability will be covered by tariffs, ordinances and rules and regulations in effect at the time of the request. Annexation does not imply supply guarantee. Gas service is also contingent upon the availability of public right-of-way or private right-of-way provided by the Owners which will allow the extension of gas mains from existing facilities.

Owners agree to dedicate or otherwise convey to the Utilities at the Owners' expense, necessary easements as determined by Utilities for the installation of gas transmission and distribution facilities. Conveyance shall be made at the time of platting or at such time prior to the development of the Property as determined by Utilities.

Owners of annexed properties will agree to provide the appropriate number of gas regulation sites. The number and location of these sites shall be determined by Utilities. These regulation sites are not subject to reimbursement and will be deeded to Utilities.

B. Electric Service. Utilities agrees that it will extend electric service to the Property in accord with the rules and regulations established by the ordinances, resolutions, policies and safety codes of the Regional Building Department and Utilities in effect at the time of development. Availability of electric service will be covered by tariffs, ordinances and regulations in effect at the time that service is requested. Owners may be required to enter into a Revenue Guarantee Contract for the extension of electric service as determined by Utilities at the time of development. Annexation does not imply supply guarantee. Owners agree to dedicate or otherwise convey to the City, at the Owners' expense, necessary easements as determined by the City for the installation of electric transmission and

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WOODMEN HEIGHTS NO. 4 ANNEXATION AGREEMENT

THIS ANNEXATION AGREEMENT (this "Agreement"), dated this 27th day of July 2004, is between the City of Colorado Springs, a home rule city and Colorado municipal corporation (the "City"), and SWAT X, LLC, a Colorado limited liability company, Gelles Family Trust, Gail Gelles, Jayden, LLC, a Colorado limited liability company, Berta S. Walsky (a/k/a Berta Walsky), Tam Walsky Bean as Trustee of the Tax Credit Trust under the Will of Herman Walsky dated January 29, 1991, Schmerman Buildings Ltd., a Colorado limited partnership, Thomas D. Pfost, Julie R. Chase, David A. Zallar and Sharal A. Zallar (collectively referred to as "Owners" or the "Property Owners").

I. INTRODUCTION

The Owners own all of the real property located in El Paso County, Colorado, identified and described in the legal description attached hereto as Exhibit A (the "Property").

The growth of the Colorado Springs metropolitan area makes it likely that the Property will experience development in the future and the Property is identified in the City Annexation Plan as recommended for annexation. Subject to the terms and conditions set forth herein, both the City and the Owners wish to annex the Property into the City to ensure its orderly development. In consideration of the mutual covenants contained in this Agreement, the receipt and sufficiency of which are acknowledged by each of the parties, the City and the Owners agree as follows.

II. ANNEXATION

The Owners have petitioned the City for annexation of the Property as set forth in Exhibit A. The annexation will become effective upon final approval by the City Council and the recording of the annexation plat and annexation ordinance with the El Paso County Clerk and Recorder.

All references to the Property or to the Owners' Property are to the Property described in Exhibit A except as otherwise indicated.

III. LAND USE

A Master Plan for the Property, Woodmen Heights Master Plan, has been proposed and submitted to the City for approval. Owners will comply with the approved Master Plan or an amended Master Plan approved in accord with applicable provisions of the Code of the City of Colorado Springs 2001, as amended or recodified ("City Code").

IV. ZONING

A. Zoning. The City Planning and Community Development Department of the City agrees to recommend that the initial zone for the Owners' Property shall be Agricultural (A) upon annexation. While zoned A, a development plan shall be required for any use requiring a building permit except for agricultural uses. Owners acknowledge and understand that the City Council determines what is an appropriate zone for the Property, and this recommendation does not bind the Planning Commission or City Council to adopt an Agricultural zone for the Property.

B. Rezoning. Rezoning shall conform to the Master Plan, as approved or as amended by the City in the future. Rezoning in accord with the land uses reflected on the Master Plan will occur prior to actual development of the site.



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V.
PUBLIC FACILITIES

A. Street / Traffic. The Owners agree to construct, at the Owners' expense (unless provided by the Woodmen Road Metropolitan District as defined below (V.1.b.)) those street and/or traffic improvements within the Property and those street and/or traffic improvements adjacent to or within the Property that are more particularly described below. All street and/or traffic improvements shall be under the provisions of the City Subdivision Ordinance, Chapter 7 of the City Code. These improvements shall also include mutually acceptable dedications of right-of-way and easements, and extension of streets and right-of-way. The provisions of City Code §§ 7.7.706 (Reimbursements) are excluded. City participation or reimbursement for Arterial Streets within the Property will not be allowed.

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c. Right-of Way. The District has previously acquired the necessary right-of-way for Woodmen Road where adjacent to the Property (total right-of-way of two hundred ten feet (210')) and the Owners agree to dedicate any additional right-of-way as may be required for the approach to Black Forest Road or Marksheffel Road and the other access locations to accommodate projected turning movements to meet City standards, as determined by the Woodmen Corridor design. Further, it is understood that all current and future street and/or traffic improvements shall be pursuant to the provisions of the City Subdivision Ordinance, Chapter 7 of the City Code. The City has no objections to the right-in, right-out accesses from Woodmen Road into the Property as shown on the Master Plan.

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5. Black Forest Road Cottonwood Creek Crossing. Owners acknowledge that there is a need to construct the Black Forest Road bridge or box culvert, as applicable, across Cottonwood Creek. The Owners, either directly or through the Districts, shall construct the bridge or box culvert over Cottonwood Creek prior to the expiration of the second phase of the development but in any case prior to December 31, 2011. The City commits to acquire the necessary right-of-way and easements necessary for the construction of the bridge through the development process and/or through its powers of eminent domain. The owners will be eligible for reimbursement as applicable, per Section 7.7.1001-1006 (Arterial Roadway Bridges) of the City Code. City participation or reimbursement for the costs of construction of the bridge or box culvert for the Black Forest Road Cottonwood Creek crossing will not be allowed.

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service develops in the area; however, after the initial installation of the ITS, the Owners shall have no obligation for operating, maintaining, repairing or upgrading such systems. The City shall be solely responsible for further operating, maintenance, repair and upgrading of the ITS.

D. Drainage. A Master Development Drainage Plan ("MDDP") shall be prepared and submitted by the Owners to the City and approved by the City Engineer, prior to recording the annexation plat. Final Drainage Reports and Plans shall be prepared and submitted by the Owners to the City and approved by the City Engineer, prior to recording subdivision plats. Owners shall comply with all drainage criteria, standards, policies and ordinances in effect at the time, including but not limited to the payment of any drainage, arterial bridge and detention pond fees and the reimbursement for drainage facilities constructed. Owners may in the future desire to have this property treated as a "closed" drainage basin which does not require payment of drainage, bridge, or detention pond fees and there is no reimbursement for drainage facilities constructed. This property may be treated as a "closed" basin subject to approval by the City Engineer, the Colorado Springs/El Paso County Drainage Board, and City Council of an amendment to the Sand Creek Drainage Basin Planning Study ("SCDBPS") that "closes" this portion of the Sand Creek basin and demonstrates 1) no adverse impact on other properties in Sand Creek and 2) no negative impact on the fiscal integrity of the Sand Creek Drainage Basin fee structure. Owners shall be responsible for conformance with the SCDBPS except that no storm drainage flows shall exit the property in excess of historic flow rates until the downstream drainage facilities on the main channel of Sand Creek between Woodmen Road and Constitution Avenue (to include Detention Pond No. 2 which is south of Barnes Road) are either in place in accord with the SCDBPS or the facilities that are in place are adequate to accept flows in excess of historic that Owners desire to release. In the alternative and subject to approval by the City Engineer, the Owners may agree to participate on an equitable basis in the construction of Detention Pond No. 2 in exchange for the approval to release storm flows at the flow rates specified in the SCDBPS.

VI.
UTILITIES

A. Gas Service. The City agrees that it will extend gas service for annexed properties substantially within the existing Gas Service Area of the Colorado Springs Utilities (Utilities), as designated by the Colorado Public Utilities Commission. Annexation of any lands not in the currently existing Gas Service Area of the Utilities shall be added to the Gas Service Area of the Utilities, and proper certification by the Colorado Public Utilities Commission shall be obtained.

Utilities agrees that it will extend gas service to annexed properties under its tariffs, ordinances, and rules and regulations in effect at the time of any specific gas service request. Availability will be covered by tariffs, ordinances and rules and regulations in effect at the time of the request. Annexation does not imply supply guarantee. Gas service is also contingent upon the availability of public right-of-way or private right-of-way provided by the Owners which will allow the extension of gas mains from existing facilities.

Owners agree to dedicate or otherwise convey to the Utilities at the Owners' expense, necessary easements as determined by Utilities for the installation of gas transmission and distribution facilities. Conveyance shall be made at the time of platting or at such time prior to the development of the Property as determined by Utilities.

Owners of annexed properties will agree to provide the appropriate number of gas regulation sites. The number and location of these sites shall be determined by Utilities. These regulation sites are not subject to reimbursement and will be deeded to Utilities.

B. Electric Service. Utilities agrees that it will extend electric service to the Property in accord with the rules and regulations established by the ordinances, resolutions, policies and safety codes of the Regional Building Department and Utilities in effect at the time of development. Availability of electric service will be covered by tariffs, ordinances and regulations in effect at the time that service is requested. Owners may be required to enter into a Revenue Guarantee Contract for the extension of electric service as determined by Utilities at the time of development. Annexation does not imply supply guarantee. Owners agree to dedicate or otherwise convey to the City, at the Owners' expense, necessary easements as determined by the City for the installation of electric transmission and

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distribution facilities. Conveyance shall be made at the time of platting or at such time prior to the development of the Property as determined by Utilities. Any costs incurred in the acquisition of electric service territory as a result of C.R.S. § 31-15-707 or § 40-9.5-201, et seq., shall be borne by the Owners.

C. Wastewater Service. Owners will extend wastewater main line or service lines to the Property and upon the Property at its expense in accord with the City's ordinances and Utility regulations in effect at the time of each specific wastewater request for service. Capacity of the system or treatment facility is not guaranteed by annexation, but by availability of service at the time of request.

Owners agree to dedicate or otherwise convey to Utilities at the Owners' expense, necessary easements as determined by Utilities for the installation of wastewater collection facilities. Conveyance shall be made at the time of platting or at such time prior to the development of the Property as determined by the Utilities.

Owners agree they will pay a pro rata share of the treatment plant facility costs through the established wastewater system development charge. They will pay their pro rata share of existing trunk sewer costs through established recovery agreement charges. Collection facilities required to serve the Property must be designed and constructed at the Owners' expense and will be required to be oversized to serve adjacent undeveloped land within the basin planning area boundaries.

Owners agree they will be required to participate with other developments on a fair share pro rata basis in the present and future off-site relief sewers. Owners will be entitled to enter into appropriate recovery agreements and to recover in accord with ordinances and regulations then in effect by the City.

D. Water Service. Owners or Utilities will extend water service to the Property in accord with the ordinances and regulations in effect at the time of the specific water request. The first-come, first-served policy will govern availability of supply. No guarantee of service is made by annexation. Owners agree to dedicate or otherwise convey to Utilities, at the Owners' expense, necessary easements as determined by the City for the installation of water transmission and distribution facilities. Conveyance shall be made at the time of platting or at such time prior to the development of the Property as determined by the Utilities.

E. Cost Recovery. Utilities agrees to develop a map indicating the areas outside of the Property that are serviced by utilities extended by the Property and develop a cost recovery agreement and mechanism so that cost recovery to the Property or Special District is required of those benefited areas.

F. Limitation of Applicability. The provisions of this Agreement set forth the requirements of Utilities in effect at the time of the annexation of the Owners' Property. These provisions shall not be construed as a limitation upon the authority of the City or Utilities to adopt different ordinances, rules, regulations, resolutions, policies or codes which change any of the provisions set forth in this Agreement so long as these apply to the City generally.

VII.

GROUNDWATER CONSENT

A. Grant to the City. Owners grant in perpetuity to the City the sole and exclusive right to use any and all groundwater underlying or appurtenant to and used upon the Property. Owners irrevocably consent, sell and convey to the City, in perpetuity, on behalf of themselves and any and all successors in title, pursuant to C.R.S. § 37-90-137(4), as now existing or later amended, all rights to the withdrawal and use of all groundwater underlying the Property. The execution of this Agreement shall constitute a conveyance of all groundwater rights to the City without the necessity of a separate deed. However, if requested by the City, Owners agree to execute satisfactory deeds or other instruments conveying ownership and the right to withdraw for beneficial use any and all groundwater underlying or appurtenant to and used upon the Property. The City agrees that it shall obtain any and all easements necessary before construction and operation of any well on the Property. Wells constructed by the City outside the Property may withdraw groundwater under Owners' Property without additional consent.

The City agrees that any existing domestic or agricultural wells and other sources of water can continue to be utilized by the Owners until such time as water service is extended by the City to the Property and those Owners. This provision will include the temporary well constructed by Woodmen Valley Chapel to service its church and related facilities. Additionally, once City water service is extended to the Property, the City agrees that the existing wells can continue to be used by the owners for irrigation of yards, fields and landscaping, but not for other domestic uses. The City also agrees that if the City is unable or unwilling to provide water to the Property, Owners, at their expense, will be entitled to obtain well permits as agents of the City and utilize those wells to provide that underground City water for use by the Property.

B. Groundwater Drainage. Owners shall also construct facilities, if determined necessary by the City Engineer and/or Utilities, for the safe discharge of all subsurface water into a drainage conveyance facility. Subsurface drainage conveyance facilities are not eligible for drainage basin credit or reimbursement.

VIII.
PARKS

A. Platting. All land to be dedicated to the City for trail purposes will be platted by the Owners prior to dedication to the City. All land to be used as parks shall be platted and dedicated to the Special District or to another ownership entity such as the Woodmen Heights Property Owners Association (the "Association"). In consideration of Owners agreeing to construct, own and operate the parks within the Property, City agrees that the Property will not be required to pay any park fees at the time of platting or otherwise.

B. Construction of Parks. Owners agree to pay the costs of constructing all of the trails and parks as shown on the Master Plan. Proposed improvements to the trail and park sites shall be submitted to the City Parks Department for review and approval in the City Parks Department's reasonable discretion to insure that all parks and trails meet current trail and park development standards at the time of construction. The costs of such improvements shall not be subject to reimbursement by the City. The Owners and the City shall also agree upon the timing and phasing of construction and improvements. The City will not program recreational activities in the park sites within the Property unless requested by the owner of the parks. Any request of the City by the owner of the parks to schedule the Parks will be subject to the City' review and approval, in the City's sole discretion. Trails and parks must remain accessible to the general public in perpetuity for parkland credit to be retained.

C. Maintenance. The parkland ownership entity will be responsible for perpetual maintenance of dedicated, constructed and improved parks to the standards developed by the Parks, Recreation and Cultural Services Department for these types of publicly accessible facilities.

D. Streets. The Owners or developer will plat and build streets adjacent to trails and parks without reimbursement by the City.

IX.
PUBLIC LAND DEDICATION

Owners agree that all land dedicated or deeded to the City for municipal or utility purposes (including school sites) shall be free and clear of liens and encumbrances. All fees that would be applicable to the platting of land that is to be dedicated to the City (including school land, but excluding park land which will not be dedicated to the City) shall be paid by Owners. Fees will be required on the gross acreage of land dedicated as of the date of the dedication in accord with the fee requirements in effect as of the date of the dedication. All dedications shall be platted by the Owners prior to conveyance, unless otherwise waived by the City.

X.
FIRE PROTECTION

The Owners acknowledge that the Property is located within the boundaries of the Black Forest Fire Rescue Protection District (the "Fire District") and is subject to property taxes payable to the Fire District

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for its services. The Owners further acknowledge that, after annexation of the Property to the City, the Property will continue to remain within the boundaries of the Fire District until such time as the Property is excluded from the boundaries of the Fire District. After annexation of the Property to the City, fire protection services will be provided by the City through its Fire Department and by the Fire District unless and until the Property is excluded from the Fire District. After annexation, the Property will be assessed property taxes payable to both the City and the Fire District until such time as the Property is excluded from the boundaries of the Fire District.

The Owners understand and acknowledge that the Property may be excluded from the boundaries of the Fire District under the provisions applicable to special districts, Article 1 of Title 32 C.R.S., and as otherwise provided by law. Upon request by the City, the person who owns the Property at the time of the City's request agrees to apply to the Fire District for exclusion of the Property from the Fire District.

XI.
FIRE PROTECTION FEE

The Owners agree to pay a fee of \$863.00 per acre as their share of the capital cost of a new fire station and the initial apparatus purchase required to service this annexation as well as adjacent areas of future annexation. This fee is payable prior to the issuance of the initial subdivision plat within each phase of development as identified in Exhibit B, attached and made a part of this Agreement. The fee will be adjusted annually using the prior year Denver/Boulder Consumer Price Index (CPI) as stated by the U.S. Department of Labor, Bureau of Labor Statistics (BLS). The City agrees as future annexations occur within the service area of the proposed fire station the owners of future annexations will be required to pay a per-acre fee to the City for the capital improvements to the fire station.

XII
SPECIAL DISTRICT

The Owners are in the process of forming one or more special districts (collectively referred to as the "District") to assist in the engineering, planning, design, construction, operation and maintenance of many of the improvements required by this Agreement or for the overall development of the Property. The City acknowledges the Owners' intent to form and utilize the District, and agrees that the District may own and operate the parks required to be installed pursuant to this Agreement, and that the District may participate in cost recovery ordinances of the City for improvements installed by the District.

XIII.
PHASING

The Owners have developed a conceptual phasing plan for the overall development of the Property, Exhibit B (the "Phasing Plan"). The Phasing Plan indicates the timing required for installation of the various infrastructure to accommodate the progressive and orderly development of the Property. The City accepts the Phasing Plan and agrees that the various items of infrastructure may be installed in accord with that Phasing Plan and that infrastructure will not be required to be installed in advance of that shown on the Phasing Plan.

XIV.
ORDINANCE COMPLIANCE

Owners will comply with all tariffs, policies, rules, regulations, ordinances, resolutions and codes of the City which now exist or are amended or adopted in the future, including those related to the subdivision and zoning of land, except as expressly modified by this Agreement. This Agreement shall not be construed as a limitation upon the authority of the City to adopt different tariffs, policies, rules, regulations, ordinances, resolutions and codes which change any of the provisions set forth in this Agreement so long as these apply to the City generally.

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XV.
ASSIGNS AND DEED OF TRUST HOLDERS

Where as used in this Agreement, the term "the Owners" or "Property Owners," shall also mean any of the heirs, executors, personal representatives, transferees, or assigns of the Owners and all these parties shall have the right to enforce and be enforced under the terms of this Agreement as if they were the original parties hereto. Rights to specific refunds or payments contained in this Agreement shall always be to the Owners unless specifically assigned to another person.

By executing this Agreement, the financial institution or deed of trust holder agrees that: (1) should it become owner of the Property through foreclosure or otherwise that it will be bound by the terms and conditions of this Agreement to the same extent as Owners; and (2) should it become owner of the Property, any provisions in its deed of trust or other agreements pertaining to the Property in conflict with this Agreement shall be subordinate to and superseded by the provisions of this Agreement.

XVI.
RECORDING

This Agreement shall be recorded with the Clerk and Recorder of El Paso County, Colorado, and constitute a covenant running with the land. This Agreement shall be binding on future assigns of the Owners and all other persons who may purchase any of the Property from the Owners or any persons later acquiring an interest in the Property. Any refunds made under the terms of this Agreement shall be made to the Owners and not subsequent purchasers or assigns of the Property unless the purchase or assignment specifically provides for payment to the purchaser or assignee and a copy of that document is filed with the City.

XVII.
AMENDMENTS

This Agreement may be amended by any party, including their respective successors, transferees, or assigns, and the City without the consent of any other party or its successors, transferees, or assigns so long as the amendment applies only to the property owned by the amending party. For the purposes of this article, an amendment shall be deemed to apply only to the property owned by the amending party if this Agreement remains in full force and effect as to the property owned by any non-amending party.

Any amendment shall be recorded in the records of El Paso County, shall be a covenant running with the land, and shall be binding on all persons or entities presently possessing or later acquiring an interest in the Property subject to the amendment unless otherwise specified in the amendment.

XVIII.
HEADINGS

The headings set forth in the Agreement for the different sections of the Agreement are for reference only and shall not be construed as an enlargement or abridgment of the language of the Agreement.

XIX.
DEFAULT AND REMEDIES

If either party fails to perform any material obligation under this Agreement, and fails to cure the default within thirty (30) days following notice from the non-defaulting party of that breach, then a breach of this Agreement will be deemed to have occurred and the non-defaulting party will be entitled, at its election, to either cure the default and recover the cost thereof from the defaulting party, or pursue and obtain against the defaulting party an order for specific performance of the obligations under this Agreement and, in either instance, recover any actual damages incurred by the non-defaulting party as a result of that breach, including recovery of its costs and reasonable attorneys' fees incurred in the enforcement of this Agreement, as well as any other remedies provided by law. Notwithstanding the foregoing, the City agrees that Owners will have no responsibility for completing any on- or off-site

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improvements or otherwise complying with any other construction or payment obligations contained in this Agreement until such time as Owners actually commence development on or within the Property by obtaining a building permit for construction within the Property, at which time all of the obligations upon Owners contained herein will be fully enforceable by the City.

XX.
GENERAL

Except as specifically provided herein, City agrees to treat Owners and the Property in a non-discriminatory manner relative to the rest of the City. In addition, any consent or approval required hereunder from the City shall not be unreasonably withheld, conditioned or delayed. City agrees not to impose any fee, levy or tax or impose any conditions upon the approval of development requests, platting, zoning or issuance of any building permits for the Property, or make any assessment on the Property that is not uniformly applied throughout the City, except as specifically provided in this Agreement or the City Code. If the annexation of the Property or any portion thereof is challenged by a referendum all provisions of this Agreement, together with the duties and obligations of each party, shall be suspended, pending the outcome of the referendum election. If the referendum challenge to the annexation results in the disconnection of the Property from the City, then this Agreement and all provisions contained herein shall be null and void and of no further effect. If the referendum challenge fails, then Owners and City shall continue to be bound by all terms and provisions of this Agreement.

XXI.
SEVERABILITY

If any provision of this Agreement is for any reason and to any extent held to be invalid or unenforceable, then neither the remainder of the document nor the application of the provisions to other entities, persons, or circumstances, shall be affected thereby but instead shall be enforceable to the maximum extent permitted by law, provided, however, that it would not be inequitable to the party against whom the Agreement is being enforced under the facts and circumstances there pertaining.

XXII.
TERM

This Agreement shall be in force and effect for a period of twenty (20) years from the effective date hereof or until all terms and conditions contained herein have been complied with, whichever occurs first. Thereafter, so long as the Property is located within the municipal boundaries of the City it shall be subject to the uniform ordinances, rules and regulations of the City generally applicable throughout the City on a non-discriminatory basis. Upon the request of Owners, the City agrees from time to time to provide a statement upon which Owners or a purchaser of the Property can rely indicating whether there are any known defaults under this Agreement and whether there remain any obligations of Owners for installation or maintenance of any public improvements or any payment therefor.

SIGNATURE PAGES FOLLOW

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IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first written above.

CITY OF COLORADO SPRINGS

BY: *Paul Brown*
MAYOR

ATTEST:

BY: *Kathryn M. Young*
CITY CLERK

APPROVED AS TO FORM:

BY: *Lydia Marney*
CITY ATTORNEY

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Owner:

SWAT X, LLC, a Colorado limited liability company

By:
Its:

[Handwritten signature]
[Handwritten signature]

STATE OF COLORADO

) ss.

COUNTY OF EL PASO)

Acknowledged before me this 30th day of July, 2004, by Robin L. Mokey
as Manager of SWAT X, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.

My commission expires: 8/27/07

[Handwritten signature]
Notary Public

[SEAL]



My Commission Expires 08/27/2007

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Deed of Trust Holders:

Marksheffel-Woodmen Investments, LLC, a Colorado limited liability company

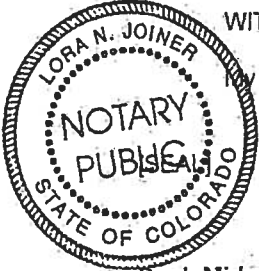
By: [Signature]
Lindsay J. Case
Its: Co-Manager

By: [Signature]
Randle W. Case II
Its: Co-Manager

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

Acknowledged before me this 4th day of August, 2004, by Lindsay J. Case and Randle W. Case II, as Co-Managers of Marksheffel-Woodmen Investments, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.



My commission expires: 06-07-2006

[Signature]
Lora N. Joiner
Notary Public

Bank Midwest

By: _____
Its: _____

SEE ATTACHED "RATIFICATION OF ANNEXATION AGREEMENT"

STATE OF _____)
) ss.
COUNTY OF _____)

Acknowledged before me this _____ day of _____, 2004, by _____
as _____ of Bank Midwest.

WITNESS my hand and official seal.

My commission expires: _____

[SEAL]

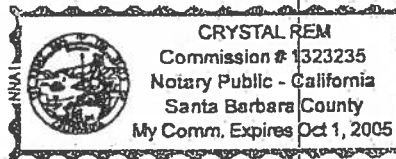
Notary Public

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Owners:

Gelles Family Trust

By: Harry P. Gelles
Its: Harry P. Gelles



STATE OF California)
) ss.
COUNTY OF Santa Barbara)

Acknowledged before me this 28 day of July, 2004, by Harry P. Gelles as Trustees of Gelles Family Trust.

WITNESS my hand and official seal.

My commission expires: October 1, 2005

[Signature]
Notary Public

[SEAL]

Gail Gelles
Gail Gelles

STATE OF California)
) ss.
COUNTY OF Santa Barbara)

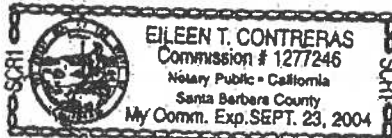
Acknowledged before me this 28 day of July, 2004, by Gail Gelles.

WITNESS my hand and official seal.

My commission expires: Sept 23 2004

[Signature]
Notary Public

[SEAL]



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Deed of Trust Holder:

Pueblo Bank & Trust Company

By: _____
Its: _____

SEE ATTACHED "RATIFICATION OF ANNEXATION AGREEMENT"

STATE OF _____)
) ss.
COUNTY OF _____)

Acknowledged before me this _____ day of _____, 2004, by _____
as _____ of Pueblo Bank & Trust Company.

WITNESS my hand and official seal.

My commission expires: _____

[SEAL]

Notary Public

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Owners:

Berta S. Walsky
Berta S. Walsky

STATE OF Colorado)
) ss.
COUNTY OF El Paso)

Acknowledged before me this 4 day of August, 2004, by Berta S. Walsky.

WITNESS my hand and official seal.
JENNIFER STEVEN
Notary Public
State of Colorado
[SEAL]

My commission expires: 9/30/06

Jennifer Steven
Notary Public

My Commission Expires Sept. 30, 2006

Tam Walsky Bean as Trustee of the Tax Credit Trust under the Will of Herman Walsky dated January 29, 1991

By: Tam Walsky Bean, Trustee
Tam Walsky Bean, Trustee

STATE OF Colorado)
) ss.
COUNTY OF El Paso)

Acknowledged before me this 9 day of August, 2004, by Tam Walsky Bean, as Trustee of the Tax Credit Trust under the Will of Herman Walsky dated January 29, 1991.

WITNESS my hand and official seal.
My commission expires
JENNIFER STEVEN
[SEAL] Notary Public
State of Colorado

9/30/06

Jennifer Steven
Notary Public

My Commission Expires Sept. 30, 2006

By: Jerry Scherman
Jerry Scherman, General Partner

STATE OF Arizona)
) ss.
COUNTY OF Maricopa)

Acknowledged before me this 6th day of August, 2004, by Jerry Scherman, as General Partner of Scherman Buildings Ltd., a Colorado limited partnership.

WITNESS my hand and official seal.

My commission expires: Sept 16, 2007

[SEAL] LORENA CHANEY
NOTARY PUBLIC - ARIZONA
MARICOPA COUNTY
My Commission Expires
September 16, 2007

Lorena Chaney
Notary Public

Owners:
Thomas D. Pfost
Thomas D. Pfost

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

Acknowledged before me this 9th day of August, 2004, by Thomas D. Pfost.

WITNESS my hand and official seal.
JENNIFER STEVEN
Notary Public
My Commission expires
State of Colorado

9/30/06

Jennifer Steven
Notary Public

[SEAL]
My Commission Expires Sept. 30, 2006

Julie R. Chase
Julie R. Chase

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

Acknowledged before me this 2nd day of August, 2004, by Julie R. Chase.

WITNESS my hand and official seal.
ALANNA RIEMAN
NOTARY PUBLIC
STATE OF COLORADO

Commission expires: July 28, 2007

Alanna Rieman
Notary Public

[SEAL]
My Commission Expires July 28, 2007

David A. Zallar

Sharal A. Zallar
Sharal A. Zallar

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

Acknowledged before me this 4th day of August, 2004, by David A. Zallar and Sharal A. Zallar.

WITNESS my hand and official seal.

My commission expires: July 28, 2007

Alanna Rieman
Notary Public

[SEAL]

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Owners:

Thomas D. Pfost

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

Acknowledged before me this _____ day of _____, 2004, by Thomas D. Pfost.

WITNESS my hand and official seal.

My commission expires: _____

[SEAL]

Notary Public

Julie R. Chase
Julie R. Chase

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

Acknowledged before me this 2nd day of August, 2004, by Julie R. Chase:

WITNESS my hand and official seal.

ALANNA RIEMAN
NOTARY PUBLIC
STATE OF COLORADO
[SEAL]
My Commission Expires July 28, 2007

commission expires: July 28, 2007
Alanna Rieman
Notary Public

David A. Zallar

Sharal A Zallar
Sharal A. Zallar

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

Acknowledged before me this 4th day of August, 2004, by ~~David A. Zallar~~ and Sharal A. Zallar.

WITNESS my hand and official seal.

My commission expires: July 28, 2007
Alanna Rieman
Notary Public

[SEAL]

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Owners:

Thomas D. Pfost

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

Acknowledged before me this _____ day of _____, 2004, by Thomas D. Pfost.

WITNESS my hand and official seal.

My commission expires: _____

[SEAL]

Notary Public

Julie R. Chase

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

Acknowledged before me this 4th day of August, 2004, by Julie R. Chase.

WITNESS my hand and official seal.

My commission expires: July 28, 2007 Alanna Rieman

[SEAL]

Notary Public

David A. Zallar

David A. Zallar

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

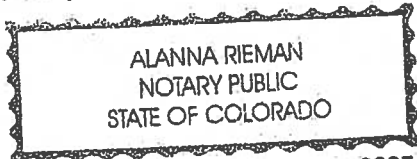
Acknowledged before me this 4th day of August 2004, by David A. Zallar.

WITNESS my hand and official seal.

My commission expires: July 28, 2007 Alanna Rieman

[SEAL]

Notary Public



My Commission Expires July 28, 2007

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EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

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LEGAL DESCRIPTION.

LOT 1 AS PLATTED IN HORSESHOE RANCHEROS RECORDED IN PLAT BOOK E-2 AT PAGE 66, RECORDS OF EL PASO COUNTY, COLORADO, AND

LOTS 1, 2, AND 3, FALCON ROAD AND THAT PORTION OF TEMPLETON GAP ROAD LYING EASTERLY OF THE NORTHERLY EXTENSION OF THE WESTERLY LOT LINE OF LOT 3, ALL AS PLATTED IN GLOVER SUBDIVISION RECORDED IN PLAT BOOK F-3 AT PAGE 51, RECORDS OF EL PASO COUNTY, COLORADO, AND

A PORTION OF SECTION 5, TOWNSHIP 13 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, ALL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 5, TOWNSHIP 13 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, THENCE S33°25'44"W A DISTANCE OF 111.11 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF WOODMEN ROAD, BEING THE POINT OF INTERSECTION OF THE SOUTHERLY EXTENSION OF THE EASTERLY BOUNDARY LINE OF LOT 1 WOODMEN FOREST SUBDIVISION NO. 1 WITH THE SOUTHERLY RIGHT OF WAY OF WOODMEN ROAD, SAID SOUTHERLY RIGHT OF WAY BEING THE NORTHERLY BOUNDARY LINE OF LOT 1 SAID GLOVER SUBDIVISION, SAID POINT BEING THE POINT OF BEGINNING;

THENCE N00°44'46"E, ON SAID SOUTHERLY EXTENSION AND THE EASTERLY BOUNDARY OF SAID LOT 1 WOODMEN FOREST SUBDIVISION NO. 1, BEING ALSO THE RIGHT OF WAY LINE OF BLACK FOREST ROAD, A DISTANCE OF 587.24 FEET;

THENCE N87°17'44"E, ON SAID RIGHT OF WAY LINE, A DISTANCE OF 30.05 FEET;

THENCE N00°44'46"E, ON SAID RIGHT OF WAY LINE, A DISTANCE OF 2047.60 FEET;

THENCE N00°44'24"E, ON SAID WESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 2528.85 FEET;

THENCE N00°11'33"W, ON SAID WESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 350.00 FEET;

THENCE N89°48'27"E, CROSSING BLACK FOREST ROAD, A DISTANCE OF 60.00 FEET;

THENCE S00°11'33"E, ON THE EASTERLY RIGHT-OF-WAY LINE OF SAID BLACK FOREST ROAD, A DISTANCE OF 350.00 FEET;

THENCE N89°14'56"E, ON THE NORTHERLY LINE OF THE NORTHWEST QUARTER OF SAID SECTION 5, A DISTANCE OF 2621.01 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 5;

THENCE S89°55'43"E, ON THE NORTHERLY LINE OF THE NORTHEAST QUARTER OF SAID SECTION 5, A DISTANCE OF 818.63 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF VOLLMER ROAD;

THENCE S51°02'52"E, CROSSING VOLLMER ROAD, A DISTANCE OF 60.00 FEET;

THENCE S38°57'08"W ON SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 1535.52 FEET;

THENCE N88°48'02"E, A DISTANCE OF 30.29 FEET;

THENCE S00°32'11"W, A DISTANCE OF 2155.89 FEET;

THENCE N89°27'49"W, A DISTANCE OF 1500.32 FEET;

THENCE S00°32'11"W, A DISTANCE OF 1601.11 FEET TO A POINT ON CURVE ON THE NORTHERLY RIGHT-OF-WAY LINE OF WOODMEN ROAD AS DESCRIBED IN A DOCUMENT RECORDED UNDER RECEPTION NO. 202224865,

THENCE ON SAID NORTHERLY RIGHT-OF-WAY LINE ON THE ARC OF A CURVE TO THE RIGHT, WHOSE CENTER BEARS N03°55'42"W, HAVING A DELTA OF 01°13'45", A RADIUS OF 9912.00, A DISTANCE OF 212.66 FEET;

THENCE S00°38'38"W, A DISTANCE OF 79.54 FEET;

THENCE S89°23'04"W, A DISTANCE OF 298.12 FEET;

THENCE S00°08'10"E, CROSSING WOODMEN ROAD AND ON THE EASTERLY BOUNDARY OF SAID LOT 1, HORSESHOE RANCHEROS, A DISTANCE OF 404.83 FEET TO THE SOUTHEASTERLY CORNER OF SAID LOT 1;

THENCE S89°22'59"W ON THE SOUTHERLY BOUNDARY OF SAID LOT 1, A DISTANCE OF 600.19 FEET; TO A POINT ON THE EASTERLY BOUNDARY OF SAID LOT 1, GLOVER SUBDIVISION;

THENCE S00°07'48"E, ON THE EASTERLY BOUNDARY OF SAID LOT 1, GLOVER SUBDIVISION, A DISTANCE OF 268.53 FEET TO THE SOUTHEASTERLY CORNER THEREOF,

THENCE S87°31'39"W, ON THE SOUTHERLY BOUNDARY OF LOTS 1, 2, AND 3 OF SAID GLOVER SUBDIVISION, A DISTANCE OF 1209.67 FEET TO THE SOUTHWESTERLY CORNER OF SAID LOT 3;

THENCE N00°18'13"W, ON THE WESTERLY BOUNDARY OF SAID LOT 3 AND ITS NORTHERLY EXTENSION, A DISTANCE OF 510.75 FEET TO A POINT ON CURVE ON THE NORTHERLY BOUNDARY OF SAID GLOVER SUBDIVISION;

THENCE ON THE ARC OF A CURVE TO THE RIGHT WHOSE CENTER BEARS S37°55'46"E, HAVING A DELTA OF 04°47'45", A RADIUS OF 930.00 FEET, A DISTANCE OF 77.85 FEET TO A POINT ON CURVE ON SAID NORTHERLY BOUNDARY,

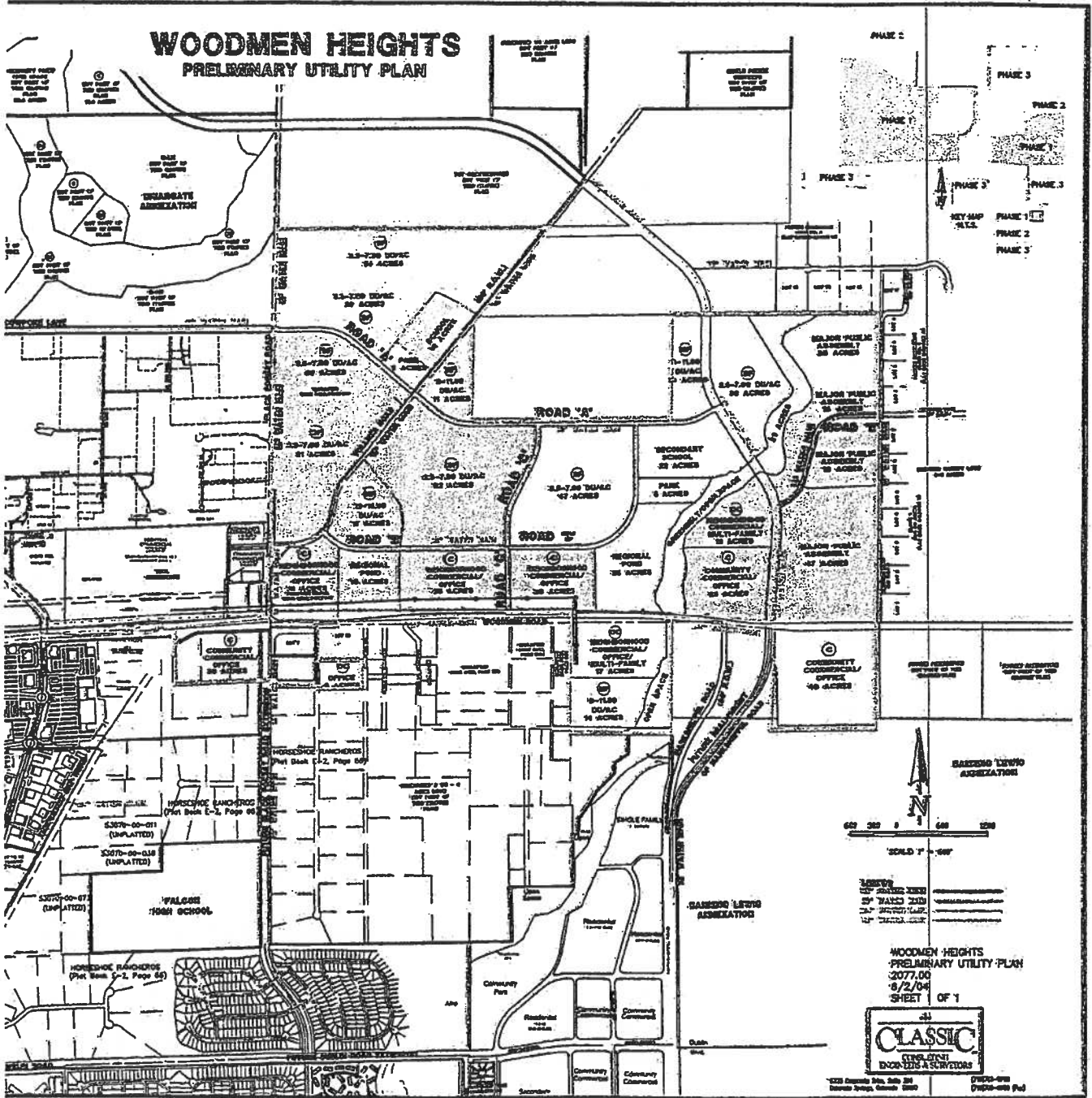
THENCE N87°31'39"E, ON THE WESTERLY EXTENSION OF THE NORTHERLY BOUNDARY OF LOTS 1 THRU 3 OF SAID GLOVER SUBDIVISION AND SAID NORTHERLY BOUNDARIES, A DISTANCE OF 1086.21 FEET TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 282.631 ACRES.

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EXHIBIT B
PHASING PLAN

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RATIFICATION OF ANNEXATION AGREEMENT

This Ratification of Annexation Agreement (the "Ratification") is made this 30th day of July, 2004, by Bank Midwest, N.A. ("Lender"), whose address is 1100 Main Street, Kansas City, Missouri 64105.

Recitals

WHEREAS, Lender is the holder of that certain Deed of Trust granted by SWAT X, LLC, a Colorado limited liability company ("Borrower") which was recorded in the real property records of El Paso County, Colorado on June 17, 2004 at Reception No. 204100841 (the "Deed of Trust"), which Deed of Trust encumbers that certain property described therein as the "Real Property."

WHEREAS, a portion of the Real Property is currently in the process of being annexed into the City of Colorado Springs (the "City") pursuant to the terms of the Woodmen Heights No. 4 Annexation Agreement attached hereto as Exhibit A (the "Annexation Agreement").

WHEREAS, as a condition to the annexation and to the recordation of the Annexation Plat and the Annexation Agreement for the Property, the City is requiring that Lender acknowledge and ratify the Annexation Agreement and the Annexation Plat, and Borrower has requested that Lender so acknowledge and ratify the Annexation Agreement and Annexation Plat.

NOW, THEREFORE, Lender hereby acknowledges and consents to the annexation of the Property into the City and ratifies and confirms the Annexation Agreement and consents to the recording of the Annexation Agreement and the Annexation Plat, and further agrees that neither the Annexation Agreement nor the Annexation Plat will be extinguished, revoked, rescinded or otherwise adversely impacted by any foreclosure or other enforcement action that Lender, its successors and assigns, may hereafter take under the Deed of Trust, and that the Property will at all times remain within the City and will remain subject to the terms of the Annexation Agreement notwithstanding any foreclosure or other enforcement action taken under the Deed of Trust.

Executed this 30th day of July, 2004.

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LENDER:

BANK MIDWEST, N.A.

By:

Its:

[Handwritten Signature]

STATE OF Colorado)
)
COUNTY OF El Paso) SS
)

Acknowledged to me this 30th day of July, 2004, by
Tony Bettis as Vice President of Bank Midwest, N.A.

Notary Public

[Handwritten Signature: Diane K. Beavers]

My commission expires:
SEAL



My Commission Expires 01/14/2008

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RATIFICATION OF ANNEXATION AGREEMENT

This Ratification of Annexation Agreement (the "Ratification") is made this 28th day of July, 2004, by Pueblo Bank and Trust Company ("Lender"), whose address is Cascade Branch, 101 North Cascade, Colorado Springs, CO 80903.

Recitals

WHEREAS, Lender is the holder of that certain Deed of Trust granted by Jayden, LLC, a Colorado limited liability company ("Borrower") which was recorded in the real property records of El Paso County, Colorado on November 27, 2002 at Reception No. 202210393 (the "Deed of Trust"; Lender's Loan No. 6670354674), which Deed of Trust encumbers that certain property defined therein as the "Real Property."

WHEREAS, the Real Property is currently in the process of being annexed into the City of Colorado Springs (the "City") pursuant to the terms of the Woodmen Heights No. 4 Annexation Agreement attached hereto as Exhibit A (the "Annexation Agreement").

WHEREAS, as a condition to the annexation and to the recordation of the Annexation Plat and the Annexation Agreement for the Real Property, the City is requiring that Lender acknowledge and ratify the Annexation Agreement and the Annexation Plat, and Borrower has requested that Lender so acknowledge and ratify the Annexation Agreement and Annexation Plat.

NOW, THEREFORE, Lender hereby acknowledges and consents to the annexation of the Real Property into the City and ratifies and confirms the Annexation Agreement and consents to the recording of the Annexation Agreement and the Annexation Plat, and further agrees that neither the Annexation Agreement nor the Annexation Plat will be extinguished, revoked, rescinded or otherwise adversely impacted by any foreclosure or other enforcement action that Lender, its successors and assigns, may hereafter take under the Deed of Trust, and that the Real Property will at all times remain within the City and will remain subject to the terms of the Annexation Agreement notwithstanding any foreclosure or other enforcement action taken under the Deed of Trust.

Executed this 28th day of July, 2004.

RETURN TO LYDIA-WILL PICK UP
MC 1378

LENDER:

Pueblo Bank and Trust Company

By:

Its:

[Signature]
VICE president

STATE OF Colorado)
) SS
COUNTY OF El Paso)

Acknowledged to me this 20~~th~~ day of July, 2004, by
Jack Kern as Vice President of Pueblo Bank and Trust
Company.

Notary Public *[Signature]*

My commission expires: 10/17/2004
SEAL



RETURN TO LYDIA-WILL PICK UP
MC 1378

RATIFICATION OF ANNEXATION AGREEMENT

This Ratification of Annexation Agreement (the "Ratification") is made this 29th day of July, 2004, by **Better Homes Co. Profit Sharing Plan** ("Lender"), whose address is 4390 North Academy Boulevard, Colorado Springs, CO 80918.

Recitals

WHEREAS, Lender is the holder of that certain Deed of Trust granted by **Julie R. Chase** ("Borrower") which was recorded in the real property records of El Paso County, Colorado on August 2, 2002 at Reception No. 202127215 (the "Deed of Trust"), which Deed of Trust encumbers that certain property described as Lot 1, 2, 3 Glover Subdivision, El Paso County, Colorado (the "Property").

WHEREAS, the Property is currently in the process of being annexed into the City of Colorado Springs (the "City") pursuant to the terms of the Woodmen Heights No. 4 Annexation Agreement attached hereto as Exhibit A (the "Annexation Agreement").

WHEREAS, as a condition to the annexation and to the recordation of the Annexation Plat and the Annexation Agreement for the Property, the City is requiring that Lender acknowledge and ratify the Annexation Agreement and the Annexation Plat, and Borrower has requested that Lender so acknowledge and ratify the Annexation Agreement and Annexation Plat.

NOW, THEREFORE, Lender hereby acknowledges and consents to the annexation of the Property into the City and ratifies and confirms the Annexation Agreement and consents to the recording of the Annexation Agreement and the Annexation Plat, and further agrees that neither the Annexation Agreement nor the Annexation Plat will be extinguished, revoked, rescinded or otherwise adversely impacted by any foreclosure or other enforcement action that Lender, its successors and assigns, may hereafter take under the Deed of Trust, and that the Property will at all times remain within the City and will remain subject to the terms of the Annexation Agreement notwithstanding any foreclosure or other enforcement action taken under the Deed of Trust.

Executed this 29th day of July, 2004.

RETURN TO LYDIA-WILL PICK UP
MC 1378

RATIFICATION OF ANNEXATION AGREEMENT

This Ratification of Annexation Agreement (the "Ratification") is made this 29th day of July, 2004, by James C. Berger ("Lender"), whose address is c/o Diane Githens, 411 South Tejon Street, Colorado Springs, CO 80903.

Recitals

WHEREAS, Lender is the holder of that certain Deed of Trust granted by **Julie R. Chase** ("Borrower") which was recorded in the real property records of El Paso County, Colorado on March 13, 2002 at Reception No. 202041176 (the "Deed of Trust"), which Deed of Trust encumbers that certain property defined therein as the "Property."

WHEREAS, the Property is currently in the process of being annexed into the City of Colorado Springs (the "City") pursuant to the terms of the Woodmen Heights No. 4 Annexation Agreement attached hereto as Exhibit A (the "Annexation Agreement").

WHEREAS, as a condition to the annexation and to the recordation of the Annexation Plat and the Annexation Agreement for the Property, the City is requiring that Lender acknowledge and ratify the Annexation Agreement and the Annexation Plat, and Borrower has requested that Lender so acknowledge and ratify the Annexation Agreement and Annexation Plat.

NOW, THEREFORE, Lender hereby acknowledges and consents to the annexation of the Property into the City and ratifies and confirms the Annexation Agreement and consents to the recording of the Annexation Agreement and the Annexation Plat, and further agrees that neither the Annexation Agreement nor the Annexation Plat will be extinguished, revoked, rescinded or otherwise adversely impacted by any foreclosure or other enforcement action that Lender, its successors and assigns, may hereafter take under the Deed of Trust, and that the Property will at all times remain within the City and will remain subject to the terms of the Annexation Agreement notwithstanding any foreclosure or other enforcement action taken under the Deed of Trust.

Executed this 29th day of July, 2004.

RETURN TO LYDIA-WILL PICK UP
MC 1378

RATIFICATION OF ANNEXATION AGREEMENT

This Ratification of Annexation Agreement (the "Ratification") is made this 9 day of August, 2004, by Kelly Leopard ("Lender"), whose address is 7005 WEST HANCOCK # 130661, LAS VEGAS NV, 89130.

Recitals

WHEREAS, Lender is the holder of that certain Deed of Trust granted by Julie R. Chase ("Borrower") which was recorded in the real property records of El Paso County, Colorado on December 20, 2000 at Reception No. 200152392 (the "Deed of Trust"), which Deed of Trust encumbers that certain property described as Lots 2 and 3 in Glover Subdivision, El Paso County, Colorado (the "Property").

WHEREAS, the Property is currently in the process of being annexed into the City of Colorado Springs (the "City") pursuant to the terms of the Woodmen Heights No. 4 Annexation Agreement attached hereto as Exhibit A (the "Annexation Agreement").

WHEREAS, as a condition to the annexation and to the recordation of the Annexation Plat and the Annexation Agreement for the Property, the City is requiring that Lender acknowledge and ratify the Annexation Agreement and the Annexation Plat, and Borrower has requested that Lender so acknowledge and ratify the Annexation Agreement and Annexation Plat.

NOW, THEREFORE, Lender hereby acknowledges and consents to the annexation of the Property into the City and ratifies and confirms the Annexation Agreement and consents to the recording of the Annexation Agreement and the Annexation Plat, and further agrees that neither the Annexation Agreement nor the Annexation Plat will be extinguished, revoked, rescinded or otherwise adversely impacted by any foreclosure or other enforcement action that Lender, its successors and assigns, may hereafter take under the Deed of Trust, and that the Property will at all times remain within the City and will remain subject to the terms of the Annexation Agreement notwithstanding any foreclosure or other enforcement action taken under the Deed of Trust.

Executed as of the date first written above.

RETURN TO LYDIA-WILL PICK UP MC 1378

RATIFICATION OF ANNEXATION AGREEMENT

This Ratification of Annexation Agreement (the "Ratification") is made this 9 day of August, 2004, by **Regional Transactions of Colorado**, a Colorado general partnership ("Lender"), whose address is 631 Ford Street, Colorado Springs, CO 80915.

Recitals

WHEREAS, Lender is the holder of that certain Deed of Trust granted by **Julie R. Chase** and **David A. Zallar** (collectively, "Borrower") which was recorded in the real property records of El Paso County, Colorado on May 4, 2001 at Reception No. 201058146 (the "Deed of Trust"), which Deed of Trust encumbers that certain property defined therein as the "Property."

WHEREAS, the Property is currently in the process of being annexed into the City of Colorado Springs (the "City") pursuant to the terms of the Woodmen Heights No. 4 Annexation Agreement attached hereto as Exhibit A (the "Annexation Agreement").

WHEREAS, as a condition to the annexation and to the recordation of the Annexation Plat and the Annexation Agreement for the Property, the City is requiring that Lender acknowledge and ratify the Annexation Agreement and the Annexation Plat, and Borrower has requested that Lender so acknowledge and ratify the Annexation Agreement and Annexation Plat.

NOW, THEREFORE, Lender hereby acknowledges and consents to the annexation of the Property into the City and ratifies and confirms the Annexation Agreement and consents to the recording of the Annexation Agreement and the Annexation Plat, and further agrees that neither the Annexation Agreement nor the Annexation Plat will be extinguished, revoked, rescinded or otherwise adversely impacted by any foreclosure or other enforcement action that Lender, its successors and assigns, may hereafter take under the Deed of Trust, and that the Property will at all times remain within the City and will remain subject to the terms of the Annexation Agreement notwithstanding any foreclosure or other enforcement action taken under the Deed of Trust.

Executed this 9 day of August, 2004.

RETURN TO LYDIA-WILL PICK UP
MC 1378

LENDER:

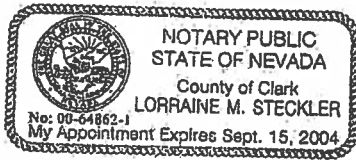
[Handwritten Signature]
Kelly Leopard

STATE OF Nevada)
) SS
COUNTY OF Clark)

Acknowledged to me this 9 day of Aug., 2004, by Kelly Leopard.

[Handwritten Signature]
Notary Public

My commission expires: Sept. 15, 2004
SEAL:



RETURN TO LYDIA-WILL PICK UP
MC 1378



After Recording, Return to:
WSDM
614 N. Tejon Street
Colorado Springs, Colorado 80903

**AMENDED AND RESTATED JOINT RESOLUTION
OF THE BOARD OF DIRECTORS
OF THE WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 2 and 3**

**CONCERNING THE IMPOSITION OF THE \$500.00/Acre
BRIDGE OBLIGATION AND MARKSHEFFEL ROAD EXTENSION PLATTING FEE**

WHEREAS, the Woodmen Heights Metropolitan District No. 2 (“**District No. 2**”), along with Woodmen Heights Metropolitan District No. 3 (“**District No. 3**”) (District Nos. 2 and 3 collectively the “**Districts**”) were formed pursuant to §§ 32-1-101, *et seq.*, C.R.S., as amended, by order of the District Court for El Paso County (“**County**”), Colorado, and after approval of the Districts’ eligible electors at an election; and

WHEREAS, pursuant to § 32-1-1001(1)(h), C.R.S., the Boards of Directors of the Districts (the “**Boards**”) shall have the management, control and supervision of all the business and affairs of the Districts; and

WHEREAS, the Boards have determined it to be in the best interests of the Districts, and the property owners, taxpayers, and residents of the Districts, to finance, acquire, construct, install, repair, replace, improve, reconstruct, operate and maintain certain public improvements, amenities and facilities within or otherwise serving and benefitting the property owners, taxpayers and residents of the Districts, which public improvements, amenities and facilities generally include, but are not limited to, the crossing over Sand Creek at Marksheffel Road and the extension of Marksheffel Road generally from Kenosha Drive to _____, appurtenances and rights-of-way related thereto (collectively, the “**Facilities**”); and

WHEREAS, pursuant to § 32-1-1001(1)(j)(I), C.R.S., the Districts are authorized to fix and impose fees, rates, tolls, penalties and charges for services, programs or facilities furnished by the Districts which, until such fees, rates, tolls, penalties and charges are paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, District No. 2 incurs or will incur certain direct and indirect costs associated with the financing, acquisition, construction, installation, repair, replacement, improvement, reconstruction, operation and maintenance of the Facilities, as necessary, inclusive of the costs of utilities and capital replacement costs (collectively, the “**Capital Facilities Costs**”) in order that the Facilities may be properly provided and maintained; and

WHEREAS, the establishment of a fair and equitable park obligation fee (the “**Facility Platting Fee**”) to provide a source of funding to pay for the **Capital Facilities Costs**, which are generally attributable to each **Acre** (defined below), is necessary to provide for the common good and for the prosperity and general welfare of the Districts and their inhabitants; and

WHEREAS, the Districts find that the Facility Platting Fee, as set forth in **Exhibit A**, attached hereto and incorporated herein by this reference, as may be amended from time to time by the District No. 2 Board, is reasonably related to the overall cost of providing the Facilities and paying the Capital Facilities Costs, and that imposition thereof is necessary and appropriate; and

WHEREAS, on August 7, 2013, the Board of Woodmen Heights Metropolitan District No. 1 along with the Boards, adopted the original Resolution Concerning the Bridge Obligation and Marksheffel Road Extension Platting Fee, (the “**Prior Fee Resolution**”), and the Boards desire to adopt this Amended and Restated Resolution to amend and restate the Prior Fee Resolution in its entirety. Any fees, rates, tolls, penalties or charges due under the Prior Fee Resolution, to the extent outstanding and unpaid, shall remain in effect until fully paid and shall not be eliminated hereby; and

WHEREAS, Woodmen Heights Metropolitan District No. 1 intends to dissolve, and since January 1, 2023 the Facility Platting Fee has been paid to, budgeted and administered by District No. 2 in anticipation of said dissolution.

NOW, THEREFORE, be it resolved by the Boards as follows:

1. DEFINITIONS. Except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below:

“**Acre**” means each remaining un-platted acre located within the Districts Boundaries and any un-platted acre that includes into the Districts unless otherwise exempted for reasonable cause and circumstances as determined by District No. 2 (by example, and not by limitation, ground utilized for detention ponds, parks and schools).

“**Districts Boundaries**” means the legal boundaries of the Districts, as the same are established and amended from time to time pursuant to §§32-1-101, *et seq.*, C.R.S., as more particularly set forth in the map and legal description attached hereto as **Exhibit B** and incorporated herein by this reference.

“**Due Date**” means the date by which each Facility Platting Fee is due, which Due Date is reflected on the Fee Schedule.

“**Fee Schedule**” means the schedule of fees set forth in **Exhibit A**, attached hereto and incorporated herein by this reference, until and unless otherwise amended and/or repealed.

“**Responsible Party**” means the owner or owners of an un-platted Acre, and if the Responsible Party consists of more than one party, then the obligation to pay the Facility Platting Fee is the joint and several obligation of all of the parties constituting the Responsible Party.

2. FACILITY PLATTING FEE.

a. A one-time Facility Platting Fee is hereby established and imposed upon each un-platted Acre within the Districts Boundaries.

b. The Facility Platting Fee shall be in the amount, and due and owing as outlined in **Exhibit A**. The amount of each Facility Platting Fee due under this Resolution may be adjusted from time to time in the District No. 2's Board discretion and shall be at the rate in effect at the time of payment.

c. The Boards hereby determine that the Facility Platting Fee is reasonably related to the overall cost of providing the Facilities, and is imposed on those who are reasonably likely to benefit from or use the Facilities.

d. The revenues generated by the Facility Platting Fee will be accounted for separately from other revenues of the Districts. The Facility Platting Fee revenue will be used solely for the purpose of paying Capital Facilities Costs (including the repayment of any indebtedness of the Districts used to pay Capital Facilities Costs), and may not be used by the Districts to pay for general administrative costs. This restriction on the use of the Facility Platting Fee revenue shall be absolute and without qualification.

3. LATE FEES AND INTEREST. Pursuant to § 29-1-1102(3), C.R.S., any Facility Platting Fee not paid in full within fifteen (15) days after the scheduled due date will be assessed a late fee in the amount of Fifteen Dollars (\$15.00) or up to five percent (5%) per month, or fraction thereof, not to exceed a total of twenty-five percent (25%) of the amount due. Interest will also accrue on any outstanding Facility Platting Fee, exclusive of assessed late fees, penalties, interest and any other costs of collection, specially including, but not limited, to attorney fees, at the rate of 18% per annum, pursuant to § 29-1-1102(7), C.R.S. The District may institute such remedies and collection procedures as authorized under Colorado law, including, but not limited to, foreclosure of its perpetual lien. The defaulting Responsible Party shall pay all fees and costs, specifically including, but not limited to, attorneys' fees and costs and costs associated with the collection of delinquent fees, incurred by the District and/or its consultants in connection with the foregoing.

4. PAYMENT. Payment for all fees, rates, tolls, penalties, charges, interest and attorney fees imposed pursuant to this Resolution shall be made by check or equivalent form acceptable to District No. 2, made payable to the "Woodmen Heights Metropolitan District No. 2" and sent to the address indicated on the Fee Schedule. The Board may change the payment address from time to time and such change shall not require an amendment to this Resolution.

5. LIEN. The fees imposed pursuant to this Resolution, together with any and all late fees, interest, penalties and costs of collection, shall, until paid, constitute a statutory, perpetual lien on and against the property served, and any such lien may be foreclosed in the manner provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(j)(I), C.R.S. Said lien may be foreclosed at such time as District No. 2, in its sole discretion, may determine. The lien shall be perpetual in nature (as defined by the laws of the State of Colorado) on the property and shall run with the land. This Resolution shall be recorded in the offices of the Clerk and Recorder of the County.

6. SEVERABILITY. If any portion of this Resolution is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Resolution, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Resolution a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

7. PREPAYMENT OF FEES. District No. 2 may enter into agreements for the prepayment of Facility Platting Fees, in its sole and absolute discretion.

8. THE PROPERTY. This Resolution shall apply to each Acre within the Districts Boundaries, and any additional Acre included into the Districts after the date of this Resolution.

9. EFFECTIVE DATE. This Resolution shall become effective June _____, 2024.

[signature page follows]

ADOPTED this ____ day of June, 2024.

WOODMEN HEIGHTS METROPOLITAN
DISTRICT NOS. 2 AND 3, each a quasi-municipal
corporation and political subdivision of the State of Colorado

Officer of the Districts

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys At Law

General Counsel to the Districts

Acknowledgement:

WOODMEN HEIGHTS METROPOLITAN
DISTRICT NO. 1, a quasi-municipal corporation and political
subdivision of the State of Colorado

Officer of the District

ATTEST:

[Signature Page to Resolution Concerning the Imposition of Park Obligation Platting Fee]

After Recording, Return to:
 WSDM
 614 N. Tejon Street
 Colorado Springs, Colorado 80903

EXHIBIT A

WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 2 AND 3

Fee Schedule

Effective June 1, 2024__

Fee Schedule		
Fee Type	Classifications	Rate
Facility Platting Fee	Un-platted Acre	\$500.00/Acre
<p>The Due Date for each Facility Platting Fee is on or before recordation of the final plat containing an Acre.</p> <p>The Facility Platting Fee shall be due and payable by the Responsible Party, in full, to District No. 2, on the Due Date.</p>		

PAYMENTS: Payment for each fee shall be made payable to the Woodmen Heights Metropolitan District No. 2 and sent to the following address for receipt by the Due Date:

District Manager:

WSDM - District Manager
 614 N. Tejon St.
 Colorado Springs, CO 80903

[ONLINE PAYMENT ADDRESS as may be provided by Manager]

EXHIBIT B

WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 2 AND 3

Districts Boundaries



After Recording, Return to:
WSDM
614 N. Tejon Street
Colorado Springs, Colorado 80903

**AMENDED AND RESTATED JOINT RESOLUTION
OF THE BOARD OF DIRECTORS
OF THE WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 2 and 3

CONCERNING THE IMPOSITION OF THE \$1,700/Acre
PARK OBLIGATION PLATTING FEE**

WHEREAS, the Woodmen Heights Metropolitan District No. 2 (“**District No. 2**”), along with Woodmen Heights Metropolitan District No. 3 (“**District No. 3**”) (District Nos. 2 and 3 collectively the “**Districts**”) were formed pursuant to §§ 32-1-101, *et seq.*, C.R.S., as amended, by order of the District Court for El Paso County (“**County**”), Colorado, and after approval of the Districts’ eligible electors at an election; and

WHEREAS, pursuant to § 32-1-1001(1)(h), C.R.S., the Boards of Directors of the Districts (the “**Boards**”) shall have the management, control and supervision of all the business and affairs of the Districts; and

WHEREAS, the Boards have determined it to be in the best interests of the Districts, and the property owners, taxpayers, and residents of the Districts, to finance, acquire, construct, install, repair, replace, improve, reconstruct, operate and maintain certain public improvements, amenities and facilities within or otherwise serving and benefitting the property owners, taxpayers and residents of the Districts, which public improvements, amenities and facilities generally include, but are not limited to, park and recreation improvements, facilities, appurtenances and rights-of-way related to _____ Park (collectively, the “**Facilities**”); and

WHEREAS, pursuant to § 32-1-1001(1)(j)(I), C.R.S., the Districts are authorized to fix and impose fees, rates, tolls, penalties and charges for services, programs or facilities furnished by the Districts which, until such fees, rates, tolls, penalties and charges are paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, District No. 2 incurs or will incur certain direct and indirect costs associated with the financing, acquisition, construction, installation, repair, replacement, improvement, reconstruction, operation and maintenance of the Facilities, as necessary, inclusive of the costs of utilities and capital replacement costs (collectively, the “**Capital Facilities Costs**”) in order that the Facilities may be properly provided and maintained; and

WHEREAS, the establishment of a fair and equitable park obligation fee (the “**Facility Platting Fee**”) to provide a source of funding to pay for the **Capital Facilities Costs**, which are generally attributable to each **Acre** (defined below), is necessary to provide for the common good and for the prosperity and general welfare of the Districts and their inhabitants; and

WHEREAS, the Districts find that the Facility Platting Fee, as set forth in **Exhibit A**, attached hereto and incorporated herein by this reference, as may be amended from time to time

by the District No. 2 Board, is reasonably related to the overall cost of providing the Facilities and paying the Capital Facilities Costs, and that imposition thereof is necessary and appropriate; and

WHEREAS, on August 7, 2013, the Board of Woodmen Heights Metropolitan District No. 1 along with the Boards, adopted the original Resolution Concerning the Park Obligation Platting Fee, (the “**Prior Fee Resolution**”), and the Boards desire to adopt this Amended and Restated Resolution to amend and restate the Prior Fee Resolution in its entirety. Any fees, rates, tolls, penalties or charges due under the Prior Fee Resolution, to the extent outstanding and unpaid, shall remain in effect until fully paid and shall not be eliminated hereby; and

WHEREAS, Woodmen Heights Metropolitan District No. 1 intends to dissolve, and since January 1, 2023 the Facility Platting Fee has been paid to, budgeted and administered by District No. 2 in anticipation of said dissolution.

NOW, THEREFORE, be it resolved by the Boards as follows:

1. DEFINITIONS. Except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below:

“**Acre**” means each remaining un-platted acre located within the Districts Boundaries and any unplatted acre that includes into the Districts unless otherwise exempted for reasonable cause and circumstances as determined by District No. 2 (by example, and not by limitation, ground utilized for detention ponds, parks and schools).

“**Districts Boundaries**” means the legal boundaries of the Districts, as the same are established and amended from time to time pursuant to §§32-1-101, *et seq.*, C.R.S., as more particularly set forth in the map and legal description attached hereto as **Exhibit B** and incorporated herein by this reference.

“**Due Date**” means the date by which each Facility Platting Fee is due, which Due Date is reflected on the Fee Schedule.

“**Fee Schedule**” means the schedule of fees set forth in **Exhibit A**, attached hereto and incorporated herein by this reference, until and unless otherwise amended and/or repealed.

“**Responsible Party**” means the owner or owners of an un-platted Acre, and if the Responsible Party consists of more than one party, then the obligation to pay the Facility Platting Fee is the joint and several obligation of all of the parties constituting the Responsible Party.

2. FACILITY PLATTING FEE.

a. A one-time Facility Platting Fee is hereby established and imposed upon each un-platted Acre within the Districts Boundaries.

b. The Facility Platting Fee shall be in the amount, and due and owing as outlined in **Exhibit A**. The amount of each Facility Platting Fee due under this Resolution may be adjusted from time to time in the District No. 2's Board discretion and shall be at the rate in effect at the time of payment.

c. The Boards hereby determine that the Facility Platting Fee is reasonably related to the overall cost of providing the Facilities, and is imposed on those who are reasonably likely to benefit from or use the Facilities.

d. The revenues generated by the Facility Platting Fee will be accounted for separately from other revenues of the Districts. The Facility Platting Fee revenue will be used solely for the purpose of paying Capital Facilities Costs (including the repayment of any indebtedness of the Districts used to pay Capital Facilities Costs), and may not be used by the Districts to pay for general administrative costs. This restriction on the use of the Facility Platting Fee revenue shall be absolute and without qualification.

3. LATE FEES AND INTEREST. Pursuant to § 29-1-1102(3), C.R.S., any Facility Platting Fee not paid in full within fifteen (15) days after the scheduled due date will be assessed a late fee in the amount of Fifteen Dollars (\$15.00) or up to five percent (5%) per month, or fraction thereof, not to exceed a total of twenty-five percent (25%) of the amount due. Interest will also accrue on any outstanding Facility Platting Fee, exclusive of assessed late fees, penalties, interest and any other costs of collection, specially including, but not limited, to attorney fees, at the rate of 18% per annum, pursuant to § 29-1-1102(7), C.R.S. The District may institute such remedies and collection procedures as authorized under Colorado law, including, but not limited to, foreclosure of its perpetual lien. The defaulting Responsible Party shall pay all fees and costs, specifically including, but not limited to, attorneys' fees and costs and costs associated with the collection of delinquent fees, incurred by the District and/or its consultants in connection with the foregoing.

4. PAYMENT. Payment for all fees, rates, tolls, penalties, charges, interest and attorney fees imposed pursuant to this Resolution shall be made by check or equivalent form acceptable to District No. 2, made payable to the "Woodmen Heights Metropolitan District No. 2" and sent to the address indicated on the Fee Schedule. The Board may change the payment address from time to time and such change shall not require an amendment to this Resolution.

5. LIEN. The fees imposed pursuant to this Resolution, together with any and all late fees, interest, penalties and costs of collection, shall, until paid, constitute a statutory, perpetual lien on and against the property served, and any such lien may be foreclosed in the manner provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(j)(I), C.R.S. Said lien may be foreclosed at such time as District No. 2, in its sole discretion, may determine. The lien shall be perpetual in nature (as defined by the laws of the State of Colorado) on the property and shall run with the land. This Resolution shall be recorded in the offices of the Clerk and Recorder of the County.

6. SEVERABILITY. If any portion of this Resolution is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of

any remaining portion of this Resolution, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Resolution a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

7. PREPAYMENT OF FEES. District No. 2 may enter into agreements for the prepayment of Facility Platting Fees, in its sole and absolute discretion.

8. THE PROPERTY. This Resolution shall apply to each Acrea within the Districts Boundaries, and any additional Acre included into the Districts after the date of this Resolution.

9. EFFECTIVE DATE. This Resolution shall become effective June _____, 2024.

[signature page follows]

ADOPTED this ____ day of June, 2024.

WOODMEN HEIGHTS METROPOLITAN
DISTRICT NOS. 2 AND 3, each a quasi-municipal
corporation and political subdivision of the State of Colorado

Officer of the Districts

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys At Law

General Counsel to the Districts

Acknowledgement:

WOODMEN HEIGHTS METROPOLITAN
DISTRICT NO. 1, a quasi-municipal corporation and political
subdivision of the State of Colorado

Officer of the District

ATTEST:

[Signature Page to Resolution Concerning the Imposition of Park Obligation Platting Fee]

After Recording, Return to:
 WSDM
 614 N. Tejon Street
 Colorado Springs, Colorado 80903

EXHIBIT A

WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 2 AND 3

Fee Schedule

Effective June 1, 2024__

Fee Schedule		
Fee Type	Classifications	Rate
Facility Platting Fee	Un-platted Acre	\$5,500/Acre
<p>The Due Date for each Facility Platting Fee is on or before recordation of the final plat containing an Acre.</p> <p>The Facility Platting Fee shall be due and payable by the Responsible Party, in full, to District No. 2, on the Due Date.</p>		

PAYMENTS: Payment for each fee shall be made payable to the Woodmen Heights Metropolitan District No. 2 and sent to the following address for receipt by the Due Date:

District Manager:

WSDM - District Manager
 614 N. Tejon St.
 Colorado Springs, CO 80903

[ONLINE PAYMENT ADDRESS as may be provided by Manager]

EXHIBIT B

WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 2 AND 3

Districts Boundaries



After Recording, Return to:
WSDM
614 N. Tejon Street
Colorado Springs, Colorado 80903

**THIRD AMENDED AND RESTATED JOINT RESOLUTION
OF THE BOARD OF DIRECTORS
OF THE WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 2 and 3
CONCERNING THE IMPOSITION OF THE FACILITY PLATTING FEE**

WHEREAS, the Woodmen Heights Metropolitan District No. 2 (“**District No. 2**”), along with Woodmen Heights Metropolitan District No. 3 (“**District No. 3**”) (District Nos. 2 and 3 collectively the “**Districts**”) were formed pursuant to §§ 32-1-101, *et seq.*, C.R.S., as amended, by order of the District Court for El Paso County (“**County**”), Colorado, and after approval of the Districts’ eligible electors at an election; and

WHEREAS, pursuant to § 32-1-1001(1)(h), C.R.S., the Boards of Directors of the Districts (the “**Boards**”) shall have the management, control and supervision of all the business and affairs of the Districts; and

WHEREAS, the Boards have determined it to be in the best interests of the Districts, and the property owners, taxpayers, and residents of the Districts, to finance, acquire, construct, install, repair, replace, improve, reconstruct, operate and maintain certain public improvements, amenities and facilities within or otherwise serving and benefitting the property owners, taxpayers and residents of the Districts, which public improvements, amenities and facilities generally include storm water detention, park and recreation, and bridge improvements, facilities, appurtenances and rights-of-way (collectively, the “**Facilities**”); and

WHEREAS, pursuant to § 32-1-1001(1)(j)(I), C.R.S., the Districts are authorized to fix and impose fees, rates, tolls, penalties and charges for services, programs or facilities furnished by the Districts which, until such fees, rates, tolls, penalties and charges are paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, District No. 2 incurs or will incur certain direct and indirect costs associated with the financing, acquisition, construction, installation, repair, replacement, improvement, reconstruction, operation and maintenance of the Facilities, as necessary, inclusive of the costs of utilities and capital replacement costs (collectively, the “**Capital Facility Costs**”) in order that the Facilities may be properly provided and maintained; and

WHEREAS, the establishment of a fair and equitable fee (the “**Facility Platting Fee**”) to provide a source of funding to pay for the **Capital Facilities Costs**, which are generally attributable to each **Acre** (defined below), is necessary to provide for the common good and for the prosperity and general welfare of the Districts and their inhabitants; and

WHEREAS, the Districts find that the Facility Platting Fee, as set forth in **Exhibit A**, attached hereto and incorporated herein by this reference, as may be amended from time to time

by the District No. 2 Board, is reasonably related to the overall cost of providing the Facilities and paying the Capital Facilities Costs, and that imposition thereof is necessary and appropriate; and

WHEREAS, on July 11, 2012, the Boards, along with the Board of Woodmen Heights Metropolitan District No. 1, adopted the Second Amended and Restated Resolution Concerning the Facility Platting Fee, which was recorded in the real property records of the El Paso County Clerk and Recorder's Office on November 19, 2013, at Reception No. 213140364 (the "**Prior Fee Resolution**"), and the Boards desire to adopt this Resolution to amend and restate the Prior Fee Resolution in its entirety. Any fees, rates, tolls, penalties or charges due under the Prior Fee Resolution, to the extent outstanding and unpaid, shall remain in effect until fully paid and shall not be eliminated hereby; and

WHEREAS, Woodmen Heights Metropolitan District No. 1 intends to dissolve, and since 2021 the Facility Platting Fee has been paid to, budgeted and administered by District No. 2.

NOW, THEREFORE, be it resolved by the Boards as follows:

1. DEFINITIONS. Except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below:

"**Acre**" means each remaining un-platted acre located within the Districts Boundaries and any unplatted acre that includes into the Districts unless otherwise exempted for reasonable cause and circumstances as determined by District No. 2 (by example, and not by limitation, ground utilized for detention ponds, parks and schools).

"**Districts Boundaries**" means the legal boundaries of the Districts, as the same are established and amended from time to time pursuant to §§32-1-101, *et seq.*, C.R.S., as more particularly set forth in the map and legal description attached hereto as **Exhibit B** and incorporated herein by this reference.

"**Due Date**" means the date by which each Facility Platting Fee is due, which Due Date is reflected on the Fee Schedule.

"**Fee Schedule**" means the schedule of fees set forth in **Exhibit A**, attached hereto and incorporated herein by this reference, until and unless otherwise amended and/or repealed.

"**Responsible Party**" means the owner or owners of an un-platted Acre, and if the Responsible Party consists of more than one party, then the obligation to pay the Facility Platting Fee is the joint and several obligation of all of the parties constituting the Responsible Party.

2. FACILITY PLATTING FEE.

a. A one-time Facility Platting Fee is hereby established and imposed upon each unplatted Acre within the Districts Boundaries.

b. The Facility Platting Fee shall be in the amount, and due and owing as outlined in **Exhibit A**. The amount of each Facility Platting Fee due under this Resolution may be adjusted from time to time in the District No. 2's Board discretion and shall be at the rate in effect at the time of payment.

c. The Boards hereby determine that the Facility Platting Fee is reasonably related to the overall cost of providing the Facilities, and is imposed on those who are reasonably likely to benefit from or use the Facilities.

d. The revenues generated by the Facility Platting Fee will be accounted for separately from other revenues of the Districts. The Facility Platting Fee revenue will be used solely for the purpose of paying Capital Facilities Costs (including the repayment of any indebtedness of the Districts used to pay Capital Facilities Costs), and may not be used by the Districts to pay for general administrative costs. This restriction on the use of the Facility Platting Fee revenue shall be absolute and without qualification.

e. \$500.00 out of each Facility Platting Fee is allocated and pledged in an aggregate amount not to exceed \$370,000 toward the construction costs of the five (5) acre park located northwest of the Vollmer and Cowpoke intersection.

3. LATE FEES AND INTEREST. Pursuant to § 29-1-1102(3), C.R.S., any Facility Platting Fee not paid in full within fifteen (15) days after the scheduled due date will be assessed a late fee in the amount of Fifteen Dollars (\$15.00) or up to five percent (5%) per month, or fraction thereof, not to exceed a total of twenty-five percent (25%) of the amount due. Interest will also accrue on any outstanding Facility Platting Fee, exclusive of assessed late fees, penalties, interest and any other costs of collection, specially including, but not limited, to attorney fees, at the rate of 18% per annum, pursuant to § 29-1-1102(7), C.R.S. The District may institute such remedies and collection procedures as authorized under Colorado law, including, but not limited to, foreclosure of its perpetual lien. The defaulting Responsible Party shall pay all fees and costs, specifically including, but not limited to, attorneys' fees and costs and costs associated with the collection of delinquent fees, incurred by the District and/or its consultants in connection with the foregoing.

4. PAYMENT. Payment for all fees, rates, tolls, penalties, charges, interest and attorney fees imposed pursuant to this Resolution shall be made by check or equivalent form acceptable to District No. 2, made payable to the "Woodmen Heights Metropolitan District No. 2" and sent to the address indicated on the Fee Schedule. The Board may change the payment address from time to time and such change shall not require an amendment to this Resolution.

5. LIEN. The fees imposed pursuant to this Resolution, together with any and all late fees, interest, penalties and costs of collection, shall, until paid, constitute a statutory, perpetual lien on and against the property served, and any such lien may be foreclosed in the manner provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(j)(I), C.R.S. Said lien may be foreclosed at such time as District No. 2, in its sole discretion, may determine. The lien shall be perpetual in nature (as defined by the laws of the State

of Colorado) on the property and shall run with the land. This Resolution shall be recorded in the offices of the Clerk and Recorder of the County.

6. SEVERABILITY. If any portion of this Resolution is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Resolution, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Resolution a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

7. PREPAYMENT OF FEES. District No. 2 may enter into agreements for the prepayment of Facility Platting Fees, in its sole and absolute discretion.

8. THE PROPERTY. This Resolution shall apply to each Acrea within the Districts Boundaries, and any additional Acre included into the Districts after the date of this Resolution.

9. EFFECTIVE DATE. This Resolution shall become effective June ____, 2024.

ADOPTED this ____ day of June, 2024.

WOODMEN HEIGHTS METROPOLITAN
DISTRICT NOS. 2 AND 3, a quasi-municipal
corporation and political subdivision of the State of
Colorado

Officer of the Districts

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys At Law

General Counsel to the Districts

Acknowledgement:

WOODMEN HEIGHTS METROPOLITAN
DISTRICT NO. 1, a quasi-municipal corporation
and political subdivision of the State of Colorado

Officer of the District

ATTEST:

[Signature Page to Resolution Concerning the Imposition of Facility Platting Fee]

After Recording, Return to:
WSDM
614 N. Tejon Street
Colorado Springs, Colorado 80903

EXHIBIT A

_____ WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 2 AND 3
Fee Schedule
Effective June 1, 2024__

Fee Schedule		
Fee Type	Classifications	Rate
Facility Platting Fee	Un-platted Acre	\$5,500/Acre
<p>The Due Date for each Facility Platting Fee is on or before recordation of the final plat containing an Acre.</p> <p>The Facility Platting Fee shall be due and payable by the Responsible Party, in full, to District No. 2, on the Due Date.</p>		

PAYMENTS: Payment for each fee shall be made payable to the Woodmen Heights Metropolitan District No. 2 and sent to the following address for receipt by the Due Date:

District Manager:

WSDM - District Manager
614 N. Tejon St.
Colorado Springs, CO 80903

[ONLINE PAYMENT ADDRESS as may be provided by Manager]

EXHIBIT B

WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 2 AND 3

Districts Boundaries