

|                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                                                                               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------------------------------------------|
| DISTRICT COURT, GRAND COUNTY, COLORADO<br>Court Address: Grand County Combined Courts<br>307 Moffat Ave<br>Hot Sulphur Springs, CO 80451<br>Telephone No.: (970) 725-3357                                                                                                                                                                                                                                              |  | SERVED ON BY FILED July 13, 2022 09:04 AM<br>FILING # 2021CV030008<br>CASE NUMBER 2021CV30008 |
| <b>Plaintiff:</b> GRANBY RANCH METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado,<br><br>v.<br><br><b>Defendants:</b> HEADWATERS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado; GRAY JAY VENTURES, LLC.; REDWOOD CAPITAL FINANCE CO., LLC, GRANBY PRENTICE, LLC; and GR TERRA, LLC.                    |  | <b>▲COURT USE ONLY▲</b><br><br>Case No.: 2021CV030008<br><br>Div.: Rm.:                       |
| <i>Counsel for Plaintiff:</i><br>Charles E. Norton, #10633<br>Alicia M. Garcia, #53860<br>NORTON & SMITH, P.C.<br>600 17 <sup>th</sup> Street, Suite 2150S<br>Denver, Colorado 80202<br>Phone Number: (303) 292-6400<br>FAX Number: (303) 292-6401<br>E-mail: <a href="mailto:CNorton@NortonSmithLaw.com">CNorton@NortonSmithLaw.com</a><br><a href="mailto:AGarcia@NortonSmithLaw.com">AGarcia@NortonSmithLaw.com</a> |  |                                                                                               |
| <b>PLAINTIFF GRANBY RANCH METROPOLITAN DISTRICT'S RESPONSE TO GR TERRA'S FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION</b>                                                                                                                                                                                                                                                                                  |  |                                                                                               |

Plaintiff Granby Ranch Metropolitan District (“GRMD”) submits the following Response to GR Terra’s First Set of Interrogatories and Requests for Production.

**RESPONSE TO PATTERN INTERROGATORIES**

- [1.0] State the name, address, telephone number, and relationship to you of each person who prepared or assisted in the preparation of the responses to these interrogatories.

**Response:**

- Charles E. Norton & Alicia Garcia

Norton & Smith, P.C.  
600 17<sup>th</sup> St. Suite 2150S, Denver, Colorado 80202  
Ph: (303) 292-6400  
Ms. Garcia and Mr. Norton are litigation counsel to GRMD.

- **Matt Girard**

c/o Norton & Smith, P.C., 600 17<sup>th</sup> Street Suite 2150S, Denver, Colorado, 80202  
Ph: (303) 994-4609  
Mr. Girard is the President of the GRMD Board of Directors.

- **Charles R. Wolfersberger**

8354 Northfield Blvd. Building G, Suite 3700, Denver, Colorado 80238  
12210 Brighton Rd #8, Henderson, CO 80640  
Ph: (720) 541-7725  
Mr. Wolfersberger is the manager of GRMD through his limited liability company, Wolfersberger, LLC.

2. [50.1] For each agreement, resolution and service plan alleged in the pleadings (which includes all of the agreements, resolutions and service plans set forth above at Definitions, Nos. 10-29):

(a) identify all DOCUMENTS that are part of the agreement, resolution or plan and, if you do not have copies of all documents, for each document you do not have, state the name, ADDRESS, and telephone number of each PERSON OR ENTITY who has the DOCUMENT;

**Response:** Plaintiff objects to this interrogatory because it seeks information in the possession of, known to, or otherwise equally available to the plaintiff. All of the requested documents were provided in the Plaintiff's initial disclosures.

Without waiving this objection, the Plaintiff identifies the following documents:

- Amended and Restated Joint Resolution Establishing Amenity Fee GRMD\_7 - GRMD\_31
- Amended and Restated Intergovernmental Agreement GRMD\_32 - GRMD\_48
- Intergovernmental Agreement Concerning the Facilitation of Payment of Capital Facilities Fees GRMD\_50-GRMD\_56
- First Amended and Restated District Facilities Construction and Service Agreement GRMD\_57-GRMD\_111
- First Amendment to Consolidated Service Plan for Granby Metropolitan District Nos. 2-8 GRMD\_112-GRMD\_115
- First Amendment to Service Plan for Headwaters Metropolitan District GRMD\_116-GRMD\_118
- Sol Vista Metropolitan District Obligations and Agreements GRMD\_120-GRMD\_603
- Sol Vista Metropolitan District No. 1 Service Plan GRMD\_604-GRMD\_703
- Town of Granby Resolution No. 2002-10-01A-HGRMD\_707-714

substantiate your claimed damages as described in paragraph 42 of the Second Amended Complaint: “\$6.05 million dollars in equity already paid subject to the LPA from fees collected from its residents and members ....”

**Response:**

- i. Charles Wolfersberger
- ii. Matt Girard
- iii. Kathy Lewensten (Marchetti & Weaver)

3. Identify any facts and documents that support GRMD’s claim in paragraph 42 for damages in the amount of “\$6.05 million dollars in equity already paid ....”

**Response:** The spreadsheet attached to these disclosures sets forth the amenity fees collected from 2006 through 2020 totaling 6.11 million. This spreadsheet was prepared by Charles Wolfersberger by reviewing Headwaters’ audited financial statements. GRMD\_10032.

Kathy Lewensten from Marchetti & Weaver produced a spreadsheet in response to an Open Records Request which indicated that there were \$6.09 million in amenity fee payments made under the LPA. This spreadsheet is attached to these disclosures GRMD\_10158.

4. Identify the amount of damages claimed by GRMD against GR Terra, the components of those damages, and all facts and documents supporting same.

**Response:** The spreadsheet attached to these disclosures sets forth the amenity fees collected from 2006 through 2020 totaling 6.11 million. This spreadsheet was prepared by Charles Wolfersberger by reviewing Headwaters’ audited financial statements. GRMD\_10032.

5. Identify all facts and documents that support GRMD’s contention that the 2020 foreclosure of the Redwood Deed of Trust did not extinguish the LPA.

**Response:** A covenant running with the land is not necessarily extinguished by a foreclosure, as this Court held on page 18 of the Order re Motion to Dismiss. The Court cited *Top Rail Ranch Estates, LLC v. Walker*, 327 P.3d 321, 327 (covenants in a deed of trust were not extinguished by foreclosure); *Schwab v. Martin*, 441 P.2d 17, 19 (Colo. 1968) (despite foreclosure, the right to appoint a receiver under the deed of trust remained an operative as a contract between the parties). The Court further outlined the facts pled by GRMD which support the contention on pages 17-19, and that discussion is incorporated herein by this reference.

6. Identify all facts and documents that support GRMD’s contention that the LPA was not terminated via Gray Jay’s notice of termination to Headwaters dated November 11, 2020, attached to GR Terra’s Counterclaims as Exhibit L.

copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

30. All documents and communications relating to GRMD's claim that the LPA constitutes an installment land contract.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

31. All documents and communications relating to any efforts by GRMD to enforce any contractual rights or remedies in the LPA.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

32. All documents and communications relating to any efforts by GRMD to comply with contractual obligations and remedies in the LPA, including default and notice provisions.

**Response:** Copies of all documents have been provided to GR Terra pursuant to GRMD's initial and supplemental disclosures and, in limited instances, through copies of additional documents attached to this Response. Documents have been further identified in the Response to Interrogatory No. 2.

**STATEMENT AS TO OBJECTIONS MADE IN THE ANSWERS TO INTERROGATORIES:**

I, Charles E. Norton, do hereby attest that the objections raised to the Interrogatories are, to the best of my knowledge, information, and belief, formed after reasonable inquiry, well grounded in fact and are warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law, and the objections are not interposed for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation.

NORTON & SMITH,  
A Professional Corporation

*s/ Charles E. Norton* \_\_\_\_\_

Charles E. Norton, #10633

Alicia M. Garcia, #53860

*Counsel for Plaintiff*

**VERIFICATION OF ANSWERS TO INTERROGATORIES**

I, Matt Girard, being duly sworn and upon my oath, do hereby swear and affirm that I have read the foregoing Answers to Interrogatories and that the answers are true and correct to the best of my knowledge, information, and belief.

State of Colorado

County of Denver

The foregoing instrument was acknowledged before me this 12 day of August, 2022, by Matt Girard.

Notary Public

Print Name: Alicia Garcia

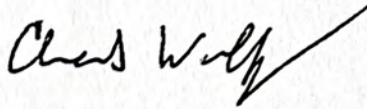
My commission expires:

**ALICIA GARCIA  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20194007792  
MY COMMISSION EXPIRES 02/25/2023**

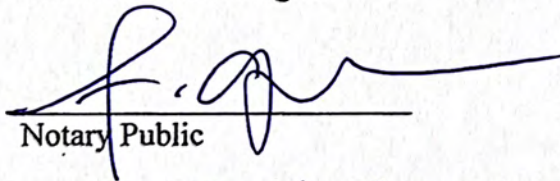
I, Charles Wolfersberger, being duly sworn and upon my oath, do hereby swear and affirm that I have read the foregoing Answers to Non-Pattern Interrogatories Nos. 2, 3, and 4, and that the answers are true and correct to the best of my knowledge, information, and belief.

State of Colorado

County of DENVER



The foregoing instrument was acknowledged before me this \_\_\_\_ day of August, 2022, by Charles Wolfersberger.

  
Notary Public

Print Name: Alicia Garcia

My commission expires:

|                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------|
| <p>ALICIA GARCIA<br/>NOTARY PUBLIC<br/>STATE OF COLORADO<br/>NOTARY ID 20194007792<br/>MY COMMISSION EXPIRES 02/25/2023</p> |
|-----------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| <p>DISTRICT COURT, GRAND COUNTY, COLORADO<br/>         Court Address: Grand County Combined Courts<br/>         307 Moffat Ave<br/>         Hot Sulphur Springs, CO 80451<br/>         Telephone No.: (970) 725-3357</p>                                                                                                                                                                                                                                                                                                                       | <p>SERVED ONLY: September 22, 2022 4:53 PM<br/>         FILING ID: 2DBE339A6D3CC<br/>         CASE NUMBER: 2021CV30008</p> |
| <p><b>Plaintiff:</b> GRANBY RANCH METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado,</p> <p>v.</p> <p><b>Defendants:</b> HEADWATERS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado; GRAY JAY VENTURES, LLC.; REDWOOD CAPITAL FINANCE CO., LLC, GRANBY PRENTICE, LLC; and GR TERRA, LLC.</p>                                                                                                                                     | <p><b>▲COURT USE ONLY▲</b></p> <p>Case No.: 2021CV030008</p> <p>Div.: Rm.:</p>                                             |
| <p><b>ATTORNEYS FOR PLAINTIFFS:</b><br/>         David K. TeSelle, Reg. No. 29648<br/>         Brian K. Matise, Reg. No. 33755<br/>         Erica N. Garcia, Reg. No. 56450<br/>         Burg Simpson Eldredge Hersh &amp; Jardine, P.C.<br/>         40 Inverness Drive East<br/>         Englewood, Colorado 80112<br/>         Telephone: (303) 792-5595<br/>         Facsimile: (303) 708-0527<br/>         E-Mail: dteselle@burgsimpson.com<br/>         E-Mail: bmatise@burgsimpson.com<br/>         E-Mail: egarcia@burgsimpson.com</p> |                                                                                                                            |
| <p align="center"><b>PLAINTIFF’S SUPPLEMENTAL RESPONSE TO GR TERRA’S FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION</b></p>                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                            |

Plaintiff Granby Ranch Metropolitan District (“GRMD”), by and through undersigned counsel, Burg Simpson Eldredge Hersh & Jardine, P.C., respectfully submit the following Supplemental Response to GR Terra’s First Set of Interrogatories and Requests for Production as follows:

**A. SUPPLEMENTAL RESPONSES TO INTERROGATORIES**

1. Plaintiff, to the best of undersigned counsel's knowledge, has not knowingly withheld information or documents otherwise discoverable based on objections such as "vague", "ambiguous," or "incomprehensible." Plaintiff's former counsel made those objections in order to preserve the objection for the party representative signing the document in the event that Defendants contended the response was incorrect or incomplete. Accordingly, no supplementation is required for this reason. This response does not waive Plaintiff's objections for other reasons, such as attorney-client privilege or work product, for which Plaintiff has withheld documents as listed on its privilege log, or information that is obtained as discovery progresses.

2. With respect to the objection that the information is in the possession of, or is equally available to Defendant, Plaintiff has identified documents with Bates labels as set forth in its responses. Plaintiff agrees to identify public documents that are available on public websites such as the Colorado Office of the State Auditor, Department of Local Affairs Local Government Information System, or the Granby Ranch Metropolitan District website. However, many of these documents are not maintained in "paper" form by the District or its counsel and therefore Plaintiff will provide an electronic link to the page or pages where they are available or other information sufficient to identify them. Plaintiff believes this satisfies its obligation.

3. Supplemental Response to Pattern Interrogatory 4: Plaintiff's response states that the "Termination" did not waive Defendants' performance under the LPA. Moreover, this lawsuit was commenced prior to the Termination. Accordingly, performance by Defendants was NOT excused, as Defendants breached the LPA and this lawsuit for damages was initiated prior to the

Termination. While Plaintiff's performance going forward was excused due to Defendants' prior material breach, Defendants' performance was not.

4. Supplemental Response to Pattern Interrogatory 5: Plaintiff's response states that the "Termination" did not waive Defendants' performance under the LPA. Moreover, this lawsuit was commenced prior to the Termination. Accordingly, performance by Defendants was NOT excused, as Defendants breached the LPA and this lawsuit for damages was initiated prior to the Termination. While Plaintiff's performance going forward was excused due to Defendants' prior material breach, Defendants' performance was not.

5. Supplemental Responses to Pattern Interrogatories 7-15 Regarding Affirmative Defenses: without waiving prior objections that discovery is continuing and Plaintiff reserves the right to supplement, Plaintiffs identified the facts upon which each affirmative defense was based in paragraph (a) of each response, as well the "facts" contained in the documents listed in paragraph (c) of each corresponding response. Plaintiff believes these responses succinctly state the facts and documents on which the affirmative response is based. It is not clear why Defendants' contend in their August 30, 2022 conferral letter that "Plaintiff fails to cite the facts that support any of its affirmative defenses" in view of the statements in these paragraphs.

6. Supplemental Responses to non-pattern interrogatories 3 and 4: Plaintiff's claims for the equity already paid and the amount of damages totaling \$6.11 million is based on the loss of value of the Amenity Fees that were paid and collected by Headwaters as set forth on the spreadsheet prepared by Charles Wolfersberger, based on the Xcel spreadsheet provided by Kathy Lewensten of Marchetti and Weaver. These amenity fees were paid for the perpetual right of the property

Plaintiff GRMD specifically reserves the right to supplement these responses as new information becomes known or otherwise available throughout the course of the litigation of this matter.

**CERTIFICATION**

I hereby certify that to the best of my knowledge, information, and belief, formed after reasonable inquiry, that the above disclosures are reasonably complete and correct as of this date.

Respectfully submitted this 22<sup>nd</sup> day of September 2022.

**BURG SIMPSON  
ELDREDGE HERSH & JARDINE, P.C.**

*(Original signature on file)*

/s/ *Brian K. Matisse*

David K. TeSelle, Reg. No. 29648

Brian K. Matisse, Reg. No. 33755

Erica N. Garcia, Reg. No. 56450

*Attorneys for Granby Ranch Metropolitan District*

**CERTIFICATE OF SERVICE**

I hereby certify that on the 22<sup>nd</sup> day of September 2022, a true and correct copy of the foregoing was served via Colorado Courts E-Filing on all Counsel of Record.

/s/ Caroline J. Nohl

Mark Champoux, # 40480  
Kyler Burgi, # 46479  
DAVIS GRAHAM & STUBBS LLP  
1550 17th Street, Suite 500  
Denver, Colorado 80202  
Telephone: 303.892.9400  
mark.champoux@dgsllaw.com  
kyler.burgi@dgsllaw.com

*Attorneys for Defendants Gray Jay Ventures, LLC and Granby  
Prentice, LLC*

Jamie H. Steiner, #49304  
JoAnn T. Sandifer (Admitted Pro Hac Vice)  
HUSCH BLACKWELL LLP  
1801 Wewatta St., Suite 1000  
Denver, CO 80202  
Phone: 303-749-7200  
Fax: 303-749-7272  
jamie.steiner@huschblackwell.com  
joann.sandifer@huschblackwell.com

*Attorneys for Defendant Headwaters Metro. District and GR  
Terra, LLC*

DISTRICT COURT, GRAND COUNTY, STATE OF COLORADO 04 PM  
FILING ID: E0C6058DF6AB2  
Case Number: 2021-CV-30008 CASE NUMBER: 2021CV30008

-----  
30(b)(6) DEPOSITION OF GRANBY RANCH METRO DISTRICT  
BY LAUREN KAESTNER - 10/06/22 - VOL. II OF II  
-----

Plaintiff:

GRANBY RANCH METROPOLITAN  
DISTRICT, a quasi-municipal corporation and  
political subdivision of the State of Colorado,

v.

Defendants:

HEADWATERS METROPOLITAN  
DISTRICT, a quasi-municipal corporation and  
political subdivision of the State of Colorado;  
GRAY JAY VENTURES, LLC.; REDWOOD CAPITAL FINANCE  
CO., LLC, GRANBY PRENTICE, LLC; and GR TERRA  
LLC.

-----  
The 30(b)(6) deposition of LAUREN KAESTNER  
was taken by the Defendants Headwaters and GR Terra  
on October 6, 2022 at Granby Ranch, 1000 Village  
Road, Granby, Colorado, commencing at the hour of  
8:48 a.m., before ROSIE STAHL, Shorthand Reporter  
and Notary Public within and for the State of  
Colorado.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

A P P E A R A N C E S

For the Plaintiff:

BRIAN K. MATISE, ESQ.  
ERICA N. GARCIA, ESQ.  
BURG SIMPSON ELDREDGE  
HERSH & JARDINE, P.C.  
40 Inverness Drive East  
Englewood, CO 80112  
303-792-5595  
Egarcia@burgsimpson.com  
Bmatise@burgsimpson.com

For the Defendants Headwaters Metropolitan District  
and GR Terra LLC:

JOANN T. SANDIFER, ESQ.  
DAVID G. RICHARDSON, ESQ.  
HUSCH BLACKWELL, LLP  
1801 Wewatta St., Suite 1000  
Denver, CO 80202  
303-749-7200  
Joann.sandifer@huschblackwell.com  
David.richardson@huschblackwell.com

For the Defendants Gray Jay Ventures, LLC and  
Granby Prentice, LLC:

KYLER K. BURGI, ESQ.  
DAVIS GRAHAM & STUBBS LLP  
1550 Seventeenth Street, Suite 500  
Denver, CO 80202  
303-892-9400  
Kyler.burghi@dgsllaw.com

1           A       Yes.

2           Q       **Has GRMD ever made any demand on**  
3 **Headwaters pursuant to this agreement or any of the**  
4 **agreements we have looked at that Headwaters needs**  
5 **to acquire the ski and golf facilities?**

6           A       I'm not aware of that.

7           Q       **Has GRMD ever offered to contribute**  
8 **any funds toward the purchase of the amenities --**

9                   MR. MATISE: Object to form.

10                  Go ahead and answer.

11 BY MS. SANDIFER:

12           Q       **-- by Headwaters?**

13           A       I don't think GRMD was ever asked by  
14 Headwaters to do that. So I don't think so, but I  
15 don't know for a fact.

16           Q       **Is it GRMD's position that it had**  
17 **the right to acquire the amenities under this**  
18 **agreement. Why did it need Headwaters' permission**  
19 **to do so?**

20                   MR. MATISE: Object to form.

21                  Go ahead and answer.

22                   THE DEPONENT: Well, the way that it  
23 was structured in the LPA, that Headwaters would be  
24 the one that would actually acquire the amenities  
25 on behalf of GRMD, so at least the way I read that.

1 But I don't think it precluding GRMD to making an  
2 offer themselves. I think you are correct on that.

3 Q The LPA is not mentioned anywhere in  
4 this document, right?

5 A It's not, but a lot of language  
6 that's used is the same, especially on the  
7 amenities portion.

8 Q So GRMD could have gone to the owner  
9 and offered to -- made an offer, a purchase offer,  
10 to acquire the ski and golf amenities, right?

11 A I think so, yes.

12 Q Okay. In fact, GRMD is the --  
13 between Headwaters and GRMD, GRMD is the entity  
14 with the taxing and bonding authority, right?

15 A Correct.

16 Q Given that this document also talks  
17 about town residents having certain access to the  
18 amenities, did GRMD ever talk to the town about the  
19 claims they are bringing in this lawsuit?

20 A I do not know the answer to that.

21 Q Do you know what position the town  
22 is taking with respect to whether there has been a  
23 breach of the second Granby IGA?

24 A I do not know that.

25 Q They haven't joined in your claim,

1 have they?

2 A No, I don't believe so.

3 Q So GRMD's claim of breach, then, is  
4 really -- we have eliminated several other  
5 agreements. Is it really based upon this second  
6 Granby IGA and the LPA itself that you are saying  
7 give rise to this obligation?

8 A Yes, I believe that.

9 Q At what point in time is GRMD  
10 asserting Headwaters should have acquired the  
11 amenities on its behalf?

12 MR. MATISE: Object to form.

13 Go ahead and answer.

14 THE DEPONENT: I'm not really sure  
15 there is an answer to that other than once the LPA  
16 was terminated, there never was a chance to acquire  
17 it. So the option for GRMD to acquire it through  
18 Headwaters was taken away. They really never had  
19 that opportunity through the LPA to do that.

20 BY MS. SANDIFER:

21 Q Well, there was an LPA in effect  
22 starting in 2006, right? We looked at that. So  
23 Headwaters had an option to purchase starting in  
24 2006. And our position until the foreclosure, when  
25 we believe the second LPA was terminated. So

1 during all of those years, Headwaters could have  
2 purchased the amenities under those agreements,  
3 right?

4 A If they wanted to, correct.

5 Q And GRMD is saying that Headwaters  
6 has breached this agreement. It breached these  
7 obligations by not doing so prior to the  
8 foreclosure. That's my understanding of your  
9 claim.

10 MR. MATISE: Object to form.

11 Go ahead and answer.

12 BY MS. SANDIFER:

13 Q Is that your claim?

14 A I think so.

15 Q So at what point was Headwaters  
16 supposed to have made this purchase to fulfill its  
17 obligations?

18 MR. MATISE: Object to form.

19 Go ahead and answer.

20 THE DEPONENT: I don't think there  
21 is a date. I think the point is that once the  
22 agreement was supposedly terminated, that option to  
23 purchase the amenities that this lease purchase was  
24 set up for went away under that agreement, because  
25 it's terminated.

1                    Now, you know, as you pointed out,  
2                    there could be other methods that could have been  
3                    used to approach, but the method for the homeowners  
4                    to acquire the amenities was through that LPA.

5                    Q            The LPA extended to until 2062,  
6                    correct?

7                    A            Right.

8                    Q            So if GRMD had any rights to it, it  
9                    had no right to expect that Headwaters would  
10                   acquire the amenities necessarily until 2062,  
11                   right?

12                   A            Well, the agreement allowed it to  
13                   acquire before, too.

14                   Q            Yes. Allowed. Didn't obligate.  
15                   Headwaters was never obligated to acquire before  
16                   2062, right?

17                   A            Correct.

18                   Q            And none of these documents we  
19                   looked at had any obligation on Headwaters to  
20                   acquire any particular amenities by any particular  
21                   time, do they?

22                   A            Not by a particular time, no.

23                   Q            Or even any particular amenities.  
24                   There is no reference in any of these agreements  
25                   that says Headwaters will acquire the ski and golf

1 **dissolution. Until that time, Headwaters is the**  
2 **owner/operator?**

3 A Right. But at the dissolution or --

4 Q Which may or may not ever occur. It  
5 hasn't occurred at this time, right?

6 A Correct.

7 Q If GRMD had acquired the amenities,  
8 and the amenities are not making money, which is --  
9 assume that, I know you don't know, how would GRMD  
10 finance the operations? What moneys does it have  
11 that it could use for operations of the amenities?

12 A Well, I don't know the legal basis  
13 of -- you know, can you use taxes for that? I  
14 don't know if you can issue bonds for that. GRMD,  
15 though, as a taxing district, has the ability to  
16 raise money. So I would think that people that are  
17 much smarter than me could come up with a way that  
18 if we wanted to fund it, to keep it going, that we  
19 could figure out a way to do it. Take out a loan.  
20 We could take out a loan for it.

21 Q Right. Now GRMD taxes are committed  
22 to paying off the existing bonds, right?

23 MR. MATISE: Object to form.

24 Go ahead and answer.

25 THE DEPONENT: Yes.

1 MS. SADIFER: Okay. Why don't we go  
2 ahead and mark this as the same time, make things  
3 easier. This is -- I can explain it for the  
4 attorneys. This document has not been produced.

5 The document we're going to address  
6 next. We called Charles -- we did a court request  
7 and asked for the backup that went with this  
8 spreadsheet that you all produced. And this is the  
9 more detailed backup. I think the colors were all  
10 on there other than we added some pink rows, which  
11 we're going to talk about today, just to have three  
12 examples. I think the colors were there. I'm not  
13 a hundred percent sure.

14 BY MS. SANDIFER:

15 Q All right. So GRMD's damages in  
16 this case are based -- are \$6.1 million, correct?  
17 The damages that it's claiming in amenity fees paid  
18 under the LPA?

19 A Correct.

20 Q Under the amenities fees resolution,  
21 I should say?

22 A Right.

23 Q Then paid by rent?

24 A Paid by rent under the LPA, correct.

25 Q All right. Have you seen this

1 document that's been marked as Exhibit 62?

2 A No, I have not.

3 Q How about the attachment to that  
4 document, which is GRMD 10158?

5 A No, I have not.

6 Q Okay. What's your reference in your  
7 notes that you reviewed as a spreadsheet on the  
8 damages?

9 A The spreadsheet, which is  
10 probably --

11 Q Did you have that kind of backup  
12 that you looked at?

13 A This. I actually had the actual  
14 spreadsheet that was in my Dropbox that I clicked  
15 on little tabs and looked at, but I didn't see any  
16 e-mail like this. I think this is the person that  
17 Matt requested the information from, this Kathy --  
18 I think that's --

19 BY MS. SANDIFER:

20 Q Kathy Lewensten?

21 A Yes.

22 Q Is it your understanding that this  
23 spreadsheet, the one that you reviewed, is the  
24 basis for the \$6.1 million in damages requested by  
25 GRMD in this lawsuit?

1 A Yes.

2 Q Just so we're all on the same page,  
3 when I requested the Excel spreadsheet from you,  
4 you did send it to me, but it just had this, it had  
5 no other tabs. It just had that.

6 MS. GARCIA: Yeah, that's what I got  
7 from the native e-mail. I'm trying to see what --

8 MS. SANDIFER: I'm trying to figure  
9 out what our witness was looking at.

10 MS. GARCIA: There is no spreadsheet  
11 in her Dropbox. I'm trying to see what she --

12 MS. SANDIFER: You might have got  
13 this mixed --

14 MS. GARCIA: Yeah. It had different  
15 tabs and the first tab I said --

16 THE DEPONENT: That's the first tab  
17 I looked at.

18 MS. SANDIFER: I didn't think there  
19 was any more tabs.

20 MS. GARCIA: Yeah. There's two more  
21 down at the bottom, and they just break it down  
22 more.

23 MS. SANDIFER: Is it this kind of  
24 detail that I have in mine? Does it have that?

25 MS. GARCIA: I think it's something

1 different. I might have it. I have it up. Yeah.

2 MS. SANDIFER: I want to make sure  
3 we are all on the same page in terms of spreadsheet  
4 that we're using for the damages.

5 (A break was taken from 2:53 p.m. to  
6 2:55 p.m.)

7 BY MS. SANDIFER:

8 Q So then back on the record. You  
9 haven't seen Exhibit 62, but what you have seen is  
10 the spreadsheet that was used by your team to  
11 calculate the damages you are claiming in this case  
12 based on the total amenity fees paid from 2005 on.  
13 Is that my understanding?

14 A Correct.

15 Q I shouldn't ask you my  
16 understanding. That is my understanding. Is that  
17 yours?

18 A Yes, that is my understanding.

19 Q Okay. So this spreadsheet, then,  
20 that I had marked as Exhibit 63 is the backup. In  
21 other words, while the single sheet has a total,  
22 this is broken down to show each fee paid over the  
23 years, the lot it was paid in relation to. The  
24 total on the original spreadsheet is 6.9, but I  
25 believe some fees were paid after 2019. We saw

1 one, at least, in 2020, right?

2 So we won't analyze the difference  
3 too much but there might be another -- I know you  
4 guys are now at 6.1.

5 A Correct.

6 Q We won't focus on that, the bottom  
7 line, it's in that range, right, the \$6 million  
8 plus range, is what you are claiming?

9 A Correct.

10 Q And based upon what we just talked  
11 about when looking at the financials, it's GRMD's  
12 position that all of those amenity fees were paid  
13 in relation to lots within the boundaries of GRMD;  
14 is that correct?

15 A Correct.

16 Q Because if they were paid by  
17 properties outside the boundaries of GRMD, then  
18 they wouldn't be damages to GRMD, right, other  
19 people would have paid those on other lots?

20 MR. MATISE: Object to form.

21 Go ahead and answer.

22 THE DEPONENT: I mean, I don't know  
23 if -- how these are broken out. So I really can't  
24 answer that question.

25 BY MS. SANDIFER:

1           Q       Well, it's simpler, then. I'm not  
2 asking for specifics. Is it an underlying  
3 assumption of your damages analysis that all of  
4 \$6.1 million were paid on 611 lots located within  
5 the boundaries of GRMD?

6           A       Correct.

7           Q       And then just to orient us with the  
8 spreadsheet a little bit. We picked out your lot  
9 just so you could look at it and kind of see how it  
10 works. So I believe that's on page 10. Yeah, we  
11 put it in pink that we added to the spreadsheet.  
12 You will see there's three pink lines that we  
13 added. It's page 10 of 14. So that shows filing  
14 11, lot 10. Fee paid, 8/28/09 of \$10,000. Is that  
15 your purchase? Is that lot that your --

16          A       Lot 10 was my lot.

17          Q       And still is?

18          A       Yeah.

19          Q       Okay. So -- and does that appear to  
20 be the date that you would have closed on your  
21 sale?

22          A       I think so. On the lot.

23          Q       On the lot.

24          A       Not the house, correct.

25          Q       So that reflects -- and you said

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

REPORTER CERTIFICATE

I, ROSANNE M. STAHL, Shorthand Reporter and Notary Public within and for the State of Colorado, do hereby certify that previous to the commencement of the testimony, the said LAUREN KAESTNER was sworn by me to testify to the truth in relation to the matters in controversy between the said parties so far as she should be interrogated concerning the same; that the said deposition was taken in stenograph by me at the time and place aforesaid and was thereafter reduced to typewritten form; that the foregoing is a true and correct transcript of my stenographic notes thereof; and that Deposition Exhibits 29-72 were marked and used in the interrogation.

I further certify that I am not employed by, related to, nor counsel for any of the parties herein, nor otherwise interested in the event of this action.

IN WITNESS WHEREOF, I have affixed my signature and seal this 20th day of October, 2022.

*Rosanne M. Stahl*  
\_\_\_\_\_  
Rosanne M. Stahl  
Notary Public  
P.O. Box 464  
Kremmling, CO 80459

MY COMMISSION EXPIRES: 04/13/26

ROSANNE M STAHL  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 19974015310  
MY COMMISSION EXPIRES APR 13, 2026

|                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|
| <p>DISTRICT COURT, GRAND COUNTY, COLORADO<br/> Court Address: Grand County Combined Courts<br/> 307 Moffat Ave<br/> Hot Sulphur Springs, CO 80451<br/> Telephone No.: (970) 725-3357</p>                                                                                                                                                                                                                                                                | <p>DATE FILED: July 20, 2023 8:04 PM<br/> FILED IN: JUDGE: EOC6058DF6AB2<br/> CASE NUMBER: 2021CV30008</p> |
| <p><b>Plaintiff:</b> GRANBY RANCH METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado,</p> <p>v.</p> <p><b>Defendants:</b> HEADWATERS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado; GRAY JAY VENTURES, LLC.; REDWOOD CAPITAL FINANCE CO., LLC, GRANBY PRENTICE, LLC; and GR TERRA, LLC.</p>                                              | <p><b>▲COURT USE ONLY▲</b></p> <p>Case No.: 2021CV030008</p> <p>Div.: Rm.:</p>                             |
| <p><b>ATTORNEYS FOR PLAINTIFFS:</b><br/> David K. TeSelle, Reg. No. 29648<br/> Brian K. Matisse, Reg. No. 33755<br/> Erica N. Garcia, Reg. No. 56450<br/> Burg Simpson Eldredge Hersh &amp; Jardine, P.C.<br/> 40 Inverness Drive East<br/> Englewood, Colorado 80112<br/> Telephone: (303) 792-5595<br/> Facsimile: (303) 708-0527<br/> E-Mail: dteselle@burgsimpson.com<br/> E-Mail: bmatise@burgsimpson.com<br/> E-Mail: egarcia@burgsimpson.com</p> |                                                                                                            |
| <p align="center"><b>PLAINTIFF’S RESPONSE TO HEADWATERS METROPOLITAN DISTRICT’S FIRST SET OF INTERROGATORIES, REQUESTS FOR PRODUCTION, AND REQUESTS FOR ADMISSION</b></p>                                                                                                                                                                                                                                                                               |                                                                                                            |

Plaintiff, Granby Ranch Metropolitan District (“GRMD”), by and through undersigned counsel, Burg Simpson Eldredge Hersh & Jardine, P.C., respectfully submits the following Response to Headwaters Metropolitan District’s (Headwaters) First Set of Interrogatories, Requests for Production and Requests for Admission as follows:

LPA. This includes the personal property improvements similar to those listed as Exhibit B to the 2006 LPA.

7. In Count II of the Third Amended Complaint, you assert that Headwaters breached the 2003 Master IGA by failing to acquire the Amenities on GRMD's behalf; identify all provisions of the Master IGA that obligated Headwaters to acquire the Amenities on behalf of GRMD.

**RESPONSE:** Objection – misstates the Second Claim for Relief. Paragraph 55 of the Second Claim for Relief states that Headwaters had a duty under the Service Plans of Headwaters and GRMD, the Master IGA, the Second Granby IGA, and the LPA read together. The terms of the LPA provide that in exchange for all amenity fees collectible from the property subject to such fees, or earlier upon payment of the Purchase Price, or on December 31, 2062, Headwaters shall acquire the leased premises. See Section 23. The Master IGA as amended from time to time, together with the Town IGA, and the service plans read together and in accordance with state law require that Headwaters must either enforce the LPA by continuing to lease or acquire the Amenities as a public facility, and either continue to own and operate the facility or transfer it to the Town of Granby or another public entity such as GRMD to own and operate as a public facility.

8. In Count II of the Third Amended Complaint, you assert that Headwaters breached the Service Plans of Headwaters and GRMD by failing to acquire the Amenities on GRMD's behalf; identify all provisions of those Service Plans that obligated Headwaters to acquire the Amenities on behalf of GRMD.

**RESPONSE:** Objection – misstates the Second Claim for Relief. Paragraph 55 of the Second Claim for Relief states that Headwaters had a duty under the Service Plans of

Headwaters and GRMD, the Master IGA, the Second Granby IGA, and the LPA read together. The terms of the LPA provide that in exchange for all amenity fees collectible from the property subject to such fees, or earlier upon payment of the Purchase Price, or on December 31, 2062, Headwaters shall acquire the leased premises. See Section 23. The Master IGA as amended from time to time, together with the Town IGA, and the service plans read together and in accordance with state law require that Headwaters must either enforce the LPA by continuing to lease or acquire the Amenities as a public facility, and either continue to own and operate the facility or transfer it to the Town of Granby or another public entity such as GRMD to own and operate as a public facility.

9. In Count II of the Third Amended Complaint, you assert that Headwaters breached the Second Granby IGA by failing to acquire the Amenities on GRMD's behalf; identify all provisions of the Second Granby IGA that obligated Headwaters to acquire the Amenities on behalf of GRMD.

**RESPONSE:** Objection – misstates the Second Claim for Relief. Paragraph 55 of the Second Claim for Relief states that Headwaters had a duty under the Service Plans of Headwaters and GRMD, the Master IGA, the Second Granby IGA, and the LPA read together. The terms of the LPA provide that in exchange for all amenity fees collectible from the property subject to such fees, or earlier upon payment of the Purchase Price, or on December 31, 2062, Headwaters shall acquire the leased premises. See Section 23. The Master IGA as amended from time to time, together with the Town IGA, and the service plans read together and in accordance with state law require that Headwaters must either enforce the LPA by continuing to lease or acquire the Amenities as a public facility, and

either continue to own and operate the facility or transfer it to the Town of Granby or another public entity such as GRMD to own and operate as a public facility. .

10. In Count II of the Third Amended Complaint, you assert that Headwaters breached the LPA by failing to acquire the Amenities on GRMD's behalf; identify all provisions of the LPA that obligated Headwaters to acquire the Amenities on behalf of GRMD.

**RESPONSE:** Objection – misstates the Second Claim for Relief. Paragraph 55 of the Second Claim for Relief states that Headwaters had a duty under the Service Plans of Headwaters and GRMD, the Master IGA, the Second Granby IGA, and the LPA read together. The terms of the LPA provide that in exchange for all amenity fees collectible from the property subject to such fees, or earlier upon payment of the Purchase Price, or on December 31, 2062, Headwaters shall acquire the leased premises. See Section 23. The Master IGA as amended from time to time, together with the Town IGA, and the service plans read together and in accordance with state law require that Headwaters must either enforce the LPA by continuing to lease or acquire the Amenities as a public facility, and either continue to own and operate the facility or transfer it to the Town of Granby or another public entity such as GRMD to own and operate as a public facility.

11. Identify any and all acts or omissions of Headwaters that support your claim that Headwaters breached an obligation to GRMD under the contracts referenced in Count II of the Third Amended Complaint.

**RESPONSE:** Headwaters had the obligation under the LPA to insure that any subordination of the Lease to the lien of any mortgage or deed of trust was subject to a Non-Disturbance Agreement. If that was not done, Headwaters breached its obligation. Headwaters failed to record the LPA, although that action by itself did not cause damage

**RESPONSE:** Plaintiff believes that all documents and communications relating to the responses above have been previously produced.

18. All documents and communications relating to the Master IGA Termination.

**RESPONSE:** Plaintiff believes that all documents and communications relating to the responses above have been previously produced.

19. All documents and communications relating to the Waiver and Release Agreement.

**RESPONSE:** Plaintiff believes that all documents and communications relating to the responses above have been previously produced.

**RESPONSE:** Plaintiff believes that all documents and communications relating to the responses above have been previously produced.

#### **RESPONSE TO FIRST SET OF REQUESTS FOR ADMISSION**

Objection to the wording of all requests for admission that use the term “formerly subject to the LPA”: Plaintiff objects to the wording of these requests for admission to the extent it appears to seek an admission that these facilities are no longer subject to the LPA. Plaintiff denies that the LPA has been validly terminated, and therefore denies that these properties are “formerly” subject to the LPA.

1. Admit that GRMD did not finance the construction of the ski facilities, golf facilities, or other recreational facilities that were formerly subject to the LPA.

**RESPONSE:** Plaintiff cannot admit nor deny as worded because Plaintiff does not know the ultimate use of the Amenity Fees that were transferred to the prior owner, Granby Realty Holdings. Without waiving said objection, Plaintiff admits that the original construction of the facilities was not financed by GRMD. However, GRMD authorized the levy and transfer of amenity fees that were transferred ultimately to GRH to acquire the

Realty Holdings. Without waiving said objection, Plaintiff admits that the original construction of the facilities occurred before Amenity Fees were collected. However, GRMD authorized the levy and transfer of amenity fees that were transferred ultimately to GRH to acquire the amenities and may also have been used for additional construction, repairs, improvements, etc. of the facilities..

5. Admit that Headwaters had no obligation under the Service Plans of Headwaters or GRMD (either the 2003 versions or as subsequently amended) to acquire the Amenities.

**RESPONSE:** Admit that Headwaters had no obligations under the Service Plans standing alone to acquire the Amenities. However, when read together with the Master IGA, Town IGA, LPA, Fee Agreements, and Fee Resolutions, together with existing Colorado law, they had the obligation to act in accordance with the terms of the LPA and eventually either acquire the Amenities or allow them to be transferred to another public entity such as the Town of Granby or GRMD for public use.

6. Admit that the 2003 Master IGA did not obligate Headwaters to acquire the Amenities.

**RESPONSE:** Admit that Headwaters had no obligations under the 2003 Master IGA standing alone to acquire the Amenities. However, when read together with the Service Plan, Town IGA, LPA, Fee Agreements, and Fee Resolutions, together with existing Colorado law, they had the obligation to act in accordance with the terms of the LPA and eventually either acquire the Amenities or allow them to be transferred to another public entity such as the Town of Granby or GRMD for public use.

7. Admit that the Second Granby IGA did not obligate Headwaters to acquire the Amenities.

**RESPONSE:** Admit that Headwaters had no obligations under the Second Granby IGA standing alone to acquire the Amenities. However, when read together with the Service Plan, Town IGA, LPA, Fee Agreements, and Fee Resolutions, together with existing Colorado law, they had the obligation to act in accordance with the terms of the LPA and eventually either acquire the Amenities or allow them to be transferred to another public entity such as the Town of Granby or GRMD for public use.

8. Admit that the 2003 Master IGA was terminated by the parties thereto under the terms of the 2006 Master IGA.

**RESPONSE:** Admit

9. Admit that GRMD never made any payments of rent to the landlord (GRH) under the terms of the LPA.

**RESPONSE:** Deny to the extent that GRMD imposed Amenity Fees under the Joint Resolution and authorized those Amenity Fees to be paid toward rent under the LPA.

10. Admit that Amenity Fees paid under the 2005 or 2013 Fee Resolutions were not required under those Resolutions to be used for the payment of rent under the LPA.

**RESPONSE:** Deny.

11. Admit that Amenity Fees paid under the 2005 or 2013 Fee Agreements were not required under those Agreements to be used for the payment of rent under the LPA.

**RESPONSE:** Deny. The LPA required the fees to be paid for rent, and the respective Fee Agreements called for the payments to be used for purposes set forth therein.

12. Admit that GRMD never made demand upon Headwaters to acquire the Amenities prior to the foreclosure process that culminated in September of 2020.

**RESPONSE:** Admit.

13. Admit that GRMD never tendered any funds toward purchase of the Amenities under the LPA.

**RESPONSE:** Deny to the extent that GRMD imposed Amenity Fees under the Joint Resolution and authorized those Amenity Fees to be paid toward purchase of the Amenities under the LPA. Therefore, those funds were tendered toward purchase of the Amenities in connection with the terms of the LPA.

14. Admit that GRMD has never made any offer to the owner of the Amenities to purchase the Amenities.

**RESPONSE:** Admit.

15. Admit that GRMD was aware that foreclosure proceedings had been commenced with respect to Granby Ranch resort as of the GRMD meeting dated February 14, 2020.

**RESPONSE:** Admit.

16. Admit that GRMD never took any action prior to September of 2020 to prevent the 2020 foreclosure of the Granby Ranch property, including the property subject to the LPA.

**RESPONSE:** Admit that GRMD did not take action to prevent the foreclosure of the property. However, GRMD and its Board member Matt Girard took action to protect GRMD's rights in the property subject to the LPA.

17. Admit that GRMD never made any demand upon Headwaters prior to September of 2020 to take any action to prevent the foreclosure of the Granby Ranch property, including the property subject to the LPA.

**RESPONSE:** Admit that GRMD never made a demand upon Headwaters to prevent the foreclosure of the property. However, GRMD and Matt Girard took action to protect GRMD's rights in the property subject to the LPA, including recording the LPA.

18. Admit that GMRD currently contains no more than 225.65 acres, as set forth and depicted on the 2019 Boundary Map Exhibit posted on GRMD's website at <http://www.granbyranchmd.org/map.htm>.

**RESPONSE:** Admit to the extent "contains" refers to the boundaries of property contained within the District's tax base. The District may provide extraterritorial services, however, beyond this area and therefore to the extent "contains" refers to the service area, it would be denied.

19. Admit that the Granby Ranch ski facilities closed on or before March 15, 2020 in accordance with order of the Governor of the State of Colorado and did not reopen until the 2020-21 ski season in December of 2020.

**RESPONSE:** Plaintiff admits that the ski facilities were closed to the public on approximately March 15, 2020. Plaintiff believes that other activities associated with maintenance and closing the facilities for the season continued to be conducted after it was closed to the public.

20. Admit that the golf course at Granby Ranch did not open for play for the 2020 golf season until at least June 16, 2020.

**RESPONSE:** Plaintiff admits that the golf course opened to the public for play for the 2020 golf season on or about June 16, 2020. However, Plaintiff affirmatively states that there were maintenance activities being performed at the golf course prior to that date and there may have been rounds played before that date.

21. Admit that between March 15, 2020 and June 16, 2020, none of the Amenities subject to the LPA were generating revenue from admittance, passes or other fees or charges paid by patrons for use of the facilities during that time.

**RESPONSE:** Plaintiff does not have information at this time sufficient for it to admit or deny the statement, as detailed financial documents have not been produced by the operators of the Amenities regarding what revenue may have been generated.

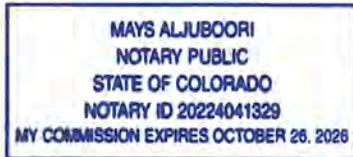
**VERIFICATION**

  
MATTHEW GIRARD

STATE OF COLORADO     )  
COUNTY OF Denver     )

BEFORE ME, the undersigned authority, personally appeared the above named MATTHEW GIRARD, who is well known to me or presented Co drivers license as identification, and who upon being first duly sworn, on oath, deposes and says he signed the above and foregoing PLAINTIFF'S RESPONSE TO HEADWATERS METROPOLITAN DISTRICT'S FIRST SET OF INTERROGATORIES, REQUESTS FOR PRODUCTION, AND REQUESTS FOR ADMISSION and that all answers are true and correct to the best of his knowledge and belief.

WITNESS my hand and official seal this 18<sup>th</sup> day of January, 2023.



  
Notary Public (Signature)

Mays Aljuboori  
Notary Public (Printed Name)

Commission No.: 20224041329

My Commission Expires: 10/26/2026

## **CERTIFICATION**

I hereby certify that to the best of my knowledge, information, and belief, formed after reasonable inquiry, that the above disclosures are reasonably complete and correct as of this date.

Respectfully submitted this 19<sup>th</sup> day of January 2023.

**BURG SIMPSON  
ELDREDGE HERSH & JARDINE, P.C.**

*(Original signature on file)*

/s/ Brian K. Matisse

David K. TeSelle, Reg. No. 29648

Brian K. Matisse, Reg. No. 33755

Travis K. Riley, Reg. No. 49358

Erica N. Garcia, Reg. No. 56450

*Attorneys for Granby Ranch Metropolitan District*

**CERTIFICATE OF SERVICE**

I hereby certify that on the 19th day of January 2023, a true and correct copy of the foregoing **PLAINTIFF'S RESPONSE TO HEADWATERS METROPOLITAN DISTRICT'S FIRST SET OF INTERROGATORIES, REQUESTS FOR PRODUCTION, AND REQUESTS FOR ADMISSION** was filed and served via Colorado Courts E-Filing on all Counsel of Record.

/s/ Caroline J. Nohl

Mark Champoux, # 40480  
Kyler Burgi, # 46479  
DAVIS GRAHAM & STUBBS LLP  
1550 17th Street, Suite 500  
Denver, Colorado 80202  
Telephone: 303.892.9400  
mark.champoux@dgsllaw.com  
kyler.burgi@dgsllaw.com

*Attorneys for Defendants Gray Jay Ventures, LLC and Granby  
Prentice, LLC*

Jamie H. Steiner, #49304  
JoAnn T. Sandifer (Admitted Pro Hac Vice)  
HUSCH BLACKWELL LLP  
1801 Wewatta St., Suite 1000  
Denver, CO 80202  
Phone: 303-749-7200  
Fax: 303-749-7272  
E-mail: jamie.steiner@huschblackwell.com  
joann.sandifer@huschblackwell.com

*Attorneys for Defendant Headwaters Metro. District and GR  
Terra, LLC*

RECEPTION#: 2021005752, 05/20/2021 at 04:38:58 PM, 1 OF 30, R\$158.00, , , Sara L. Rosene, Grand County Clerk and Recorder, Colorado

DATE FILED: July 11, 2024 8:04 PM  
FILING ID: E0C6058DF6AB2  
CASE NUMBER: 2021CV30008

|                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| DISTRICT COURT, GRAND COUNTY, COLORADO<br>Court Address: Grand County Combined Courts<br>307 Moffat Ave<br>Hot Sulphur Springs, CO 80451<br>Telephone No.: (970) 725-3357                                                                                                                                                                                                                                              | <b>▲COURT USE ONLY▲</b><br><br>Case No.: 2021CV030008<br>Div.: Rm.: |
| <b>Plaintiff:</b> GRANBY RANCH METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado,<br><br><b>v.</b><br><b>Defendants:</b> HEADWATERS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado; GP GRANBY HOLDINGS, LLC.; Redwood Capital Finance Co., L.L.C.; Granby Prentice, L.L.C.                              |                                                                     |
| <i>Counsel for Plaintiff:</i><br>Charles E. Norton, #10633<br>Alicia M. Garcia, #53860<br>NORTON & SMITH, P.C.<br>600 17 <sup>th</sup> Street, Suite 2150S<br>Denver, Colorado 80202<br>Phone Number: (303) 292-6400<br>FAX Number: (303) 292-6401<br>E-mail: <a href="mailto:CNorton@NortonSmithLaw.com">CNorton@NortonSmithLaw.com</a><br><a href="mailto:AGarcia@NortonSmithLaw.com">AGarcia@NortonSmithLaw.com</a> |                                                                     |
| <b>NOTICE OF COMMENCEMENT OF ACTION</b>                                                                                                                                                                                                                                                                                                                                                                                |                                                                     |

You will please take NOTICE that action has been commenced wherein relief is claimed affecting title to the following real property, and the improvements thereon, situated in Grand County, Colorado and more particularly described in Exhibit 1 attached hereto.

Dated this 20<sup>th</sup> day of May, 2021.

Respectfully Submitted,

NORTON & SMITH,  
A Professional Corporation

s. Charles E. Norton

Charles E. Norton, #10633

Alicia M. Garcia, #53860

*Counsel for Plaintiff*

#### CERTIFICATE OF SERVICE

I certify that on the 20<sup>th</sup> day of May, 2021, a true and correct copy of the foregoing **NOTICE OF COMMENCEMENT OF ACTION** was served electronically and/or sent via U.S. Mail, postage prepaid to the following:

Mark Champoux, # 40480

Kyler Burgi, # 46479

DAVIS GRAHAM & STUBBS LLP

1550 17th Street, Suite 500

Denver, Colorado 80202

Telephone: 303.892.9400

[mark.champoux@dgsllaw.com](mailto:mark.champoux@dgsllaw.com)

[kyler.burgi@dgsllaw.com](mailto:kyler.burgi@dgsllaw.com)

*Attorneys for Defendant GP Granby Holdings,  
LLC*

Marni Nathan Kloster, Reg. No. 34947

J. Andrew Nathan, Reg. No. 3295

NATHAN DUMM & MAYER P.C.

7900 E. Union Avenue, Suite 600

Denver, CO 80237-2776

Telephone: (303) 691-3737

[MNathan@ndm-law.com](mailto:MNathan@ndm-law.com)

[ANathan@ndm-law.com](mailto:ANathan@ndm-law.com)

*Attorneys for Defendant Headwaters Metro.  
District*

S/ Wynter B. Wells

Wynter B. Wells, Paralegal

NORTON & SMITH, P.C.

## LEGAL DESCRIPTION NO. 11

LEASE PURCHASE AGREEMENT  
SHEET 1 OF 9

### PARCEL A

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 16, THE SOUTHEAST QUARTER OF SECTION 17, THE NORTHEAST QUARTER OF SECTION 20, THE NORTH HALF OF SECTION 21, AND THE NORTHWEST QUARTER OF SECTION 22, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 16 AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE SOUTH 05°26'12" WEST, A DISTANCE OF 462.06 FEET;  
THENCE SOUTH 40°07'39" EAST, A DISTANCE OF 469.61 FEET;  
THENCE SOUTH 04°18'25" EAST, A DISTANCE OF 462.16 FEET;  
THENCE SOUTH 33°32'02" WEST, A DISTANCE OF 915.51 FEET;  
THENCE SOUTH 81°08'12" WEST, A DISTANCE OF 1873.21 FEET;  
THENCE NORTH 70°30'00" WEST, A DISTANCE OF 668.03 FEET;  
THENCE NORTH 23°18'26" WEST, A DISTANCE OF 776.98 FEET;  
THENCE NORTH 30°49'51" WEST, A DISTANCE OF 328.94 FEET;  
THENCE NORTH 09°04'28" EAST, A DISTANCE OF 313.33 FEET;  
THENCE NORTH 07°43'55" WEST, A DISTANCE OF 706.28 FEET;  
THENCE SOUTH 83°39'49" WEST, A DISTANCE OF 179.60 FEET;  
THENCE NORTH 18°13'07" WEST, A DISTANCE OF 396.49 FEET;  
THENCE SOUTH 76°42'33" WEST, A DISTANCE OF 280.22 FEET;  
THENCE SOUTH 14°43'51" EAST, A DISTANCE OF 570.85 FEET;  
THENCE SOUTH 77°24'42" WEST, A DISTANCE OF 81.46 FEET;  
THENCE NORTH 46°17'56" WEST, A DISTANCE OF 145.16 FEET;  
THENCE SOUTH 83°40'40" WEST, A DISTANCE OF 588.82 FEET;  
THENCE NORTH 8°31'51" WEST, A DISTANCE OF 451.14 FEET;  
THENCE SOUTH 52°15'23" WEST, A DISTANCE OF 243.82 FEET;  
THENCE SOUTH 45°27'54" WEST, A DISTANCE OF 446.51 FEET;  
THENCE SOUTH 08°47'03" WEST, A DISTANCE OF 161.42 FEET TO A POINT ON THE WESTERLY BOUNDARY OF THE 7.80 ACRE OPEN SPACE PARCEL DEDICATED BY WESTRIDGE SUBDIVISION, THE PLAT OF WHICH IS RECORDED AT RECEPTION NO. 203775 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER;  
THENCE SOUTH 16°16'51" WEST, ALONG SAID WESTERLY BOUNDARY, A DISTANCE OF 502.04 FEET;  
THENCE SOUTH 72°02'29" WEST, A DISTANCE OF 283.80 FEET;  
THENCE SOUTH 46°48'58" WEST, A DISTANCE OF 229.29 FEET;  
THENCE SOUTH 86°25'33" WEST, A DISTANCE OF 322.14 FEET;  
THENCE NORTH 03°33'35" WEST, A DISTANCE OF 698.83 FEET TO A POINT OF CURVATURE;  
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 62°49'37", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 230.27 FEET;  
THENCE NORTH 59°16'01" EAST, A DISTANCE OF 245.18 FEET TO A POINT OF CURVATURE;  
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 64°03'40", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 212.43 FEET;  
THENCE NORTH 04°47'39" WEST, A DISTANCE OF 164.28 FEET TO A POINT OF CURVATURE;  
THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 74°06'19", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 245.74 FEET;  
THENCE NORTH 78°53'58" WEST, A DISTANCE OF 129.25 FEET TO A POINT OF CURVATURE;  
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 91°01'52", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 333.65 FEET;  
THENCE NORTH 12°07'54" EAST, A DISTANCE OF 159.45 FEET;

CARROLL LANGE-MANHARD

Professional Engineers & Land Surveyors  
7442 South Tucson Way, Suite 150-A Coaltonal, Colorado 80112 (303) 708-0500

### LEGAL DESCRIPTION NO. 11

#### LEASE PURCHASE AGREEMENT

SHEET 2 OF 9

PARCEL A CONTINUED ...

THENCE SOUTH 47°40'17" EAST, A DISTANCE OF 55.96 FEET;  
THENCE NORTH 72°23'16" EAST, A DISTANCE OF 889.28 FEET;  
THENCE SOUTH 55°44'06" EAST, A DISTANCE OF 525.10 FEET;  
THENCE NORTH 70°01'41" EAST, A DISTANCE OF 466.83 FEET;  
THENCE NORTH 15°21'32" EAST, A DISTANCE OF 175.69 FEET;  
THENCE NORTH 80°19'01" EAST, A DISTANCE OF 138.25 FEET;  
THENCE NORTH 53°59'13" EAST, A DISTANCE OF 276.17 FEET;  
THENCE SOUTH 88°37'12" EAST, A DISTANCE OF 307.57 FEET;  
THENCE NORTH 78°19'12" EAST, A DISTANCE OF 108.71 FEET;  
THENCE SOUTH 85°51'25" EAST, A DISTANCE OF 695.64 FEET;  
THENCE SOUTH 04°47'55" WEST, A DISTANCE OF 36.68 FEET;  
THENCE SOUTH 65°56'43" EAST, A DISTANCE OF 627.82 FEET;  
THENCE NORTH 88°45'26" EAST, A DISTANCE OF 178.77 FEET;  
THENCE NORTH 44°10'34" EAST, A DISTANCE OF 929.57 FEET;  
THENCE SOUTH 56°43'40" EAST, A DISTANCE OF 2016.36 FEET TO THE POINT OF BEGINNING,

SAID PARCEL CONTAINS A GROSS AREA OF 12,179,374 SQUARE FEET OR 279.60 ACRES, MORE OR LESS;

EXCEPT FROM SAID PARCEL A THE FOLLOWING DESCRIBED PARCEL:

THE 2.40 ACRE OPEN SPACE PARCEL SHOWN ON THE FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE I SUBDIVISION, ACCORDING TO THE PLAT RECORDED AT RECEPTION NO. 203319 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER, TOGETHER WITH THE 0.22 ACRE OPEN SPACE PARCEL SHOWN ON THE FINAL PLAT OF THE MOUNTAINSIDE AT SILVERCREEK PHASE II SUBDIVISION, ACCORDING TO THE PLAT RECORDED AT RECEPTION NO. 222486 OF THE RECORDS OF THE GRAND COUNTY CLERK AND RECORDER LOCATED IN THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, SUBORDINATELY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER SAID SECTION 16 AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE NORTH 73°01'23" EAST, A DISTANCE OF 1364.97 FEET TO THE POINT OF BEGINNING;  
THENCE SOUTH 28°16'56" WEST, A DISTANCE OF 114.25 FEET;  
THENCE NORTH 61°43'04" WEST, A DISTANCE OF 520.40 FEET;  
THENCE NORTH 28°16'56" EAST, A DISTANCE OF 324.51 FEET;  
THENCE SOUTH 39°43'04" EAST, A DISTANCE OF 561.27 FEET TO THE POINT OF BEGINNING;

SAID PARCEL CONTAINS AN AREA OF 114,164 SQUARE FEET OR 2.62 ACRES, MORE OR LESS.

SAID PARCEL A CONTAINS A NET AREA OF 12,065,210 SQUARE FEET OR 276.98 ACRES, MORE OR LESS.

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL:

PARCEL B

A PARCEL OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 17 AND THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**CARROLL LANGE-MANHARD**  
A MANHARD CONSULTING COMPANY

Professional Engineers & Land Surveyors  
1442 South Tucson Way, Suite 150 A Centennial, Colorado 80112 (303) 708-0500

# LEGAL DESCRIPTION NO. 11

## LEASE PURCHASE AGREEMENT

SHEET 3 OF 9

### PARCEL B CONTINUED ...

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°03'34" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

- THENCE SOUTH 78°20'20" WEST, A DISTANCE OF 6915.33 FEET TO THE POINT OF BEGINNING;
- THENCE NORTH 29°40'56" WEST, A DISTANCE OF 348.56 FEET;
- THENCE NORTH 39°20'38" WEST, A DISTANCE OF 356.52 FEET;
- THENCE NORTH 36°59'58" EAST, A DISTANCE OF 336.92 FEET;
- THENCE NORTH 28°32'00" WEST, A DISTANCE OF 243.37 FEET;
- THENCE NORTH 19°06'15" EAST, A DISTANCE OF 274.21 FEET;
- THENCE NORTH 19°20'21" WEST, A DISTANCE OF 180.51 FEET;
- THENCE NORTH 04°42'05" EAST, A DISTANCE OF 120.69 FEET TO A POINT ON A CURVE;
- THENCE ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 87°23'52", A RADIUS OF 210.00 FEET, AN ARC LENGTH OF 320.33 FEET, AND A CHORD THAT BEARS SOUTH 65°51'24" EAST;
- THENCE SOUTH 22°09'28" EAST, A DISTANCE OF 416.94 FEET TO A POINT OF CURVATURE;
- THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 51°27'15", A RADIUS OF 210.00 FEET, AND AN ARC LENGTH OF 188.59 FEET;
- THENCE SOUTH 29°17'47" WEST, A DISTANCE OF 258.29 FEET TO A POINT OF CURVATURE;
- THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 30°24'36", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 100.84 FEET;
- THENCE SOUTH 01°06'49" EAST, A DISTANCE OF 588.47 FEET TO A POINT OF CURVATURE;
- THENCE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 04°15'11", A RADIUS OF 190.00 FEET, AND AN ARC LENGTH OF 14.10 FEET TO THE POINT OF BEGINNING;

SAID PARCEL CONTAINS AN AREA OF 446,639 SQUARE FEET OR 10.30 ACRES, MORE OR LESS.

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL:

### PARCEL C

LOT 1, FIRST ADMINISTRATIVE PLAT AMENDMENT TO GRANBY RANGE FILING NO. 12, LOCATED IN THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, RECORDED SEPTEMBER 15, 2008 AT RECEPTION NO. 2008008905 IN THE TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO;

SAID PARCEL CONTAINS AN AREA OF 199,615 SQUARE FEET OR 4.583 ACRES, MORE OR LESS.

I, JAMES M. ROAKE, A SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.

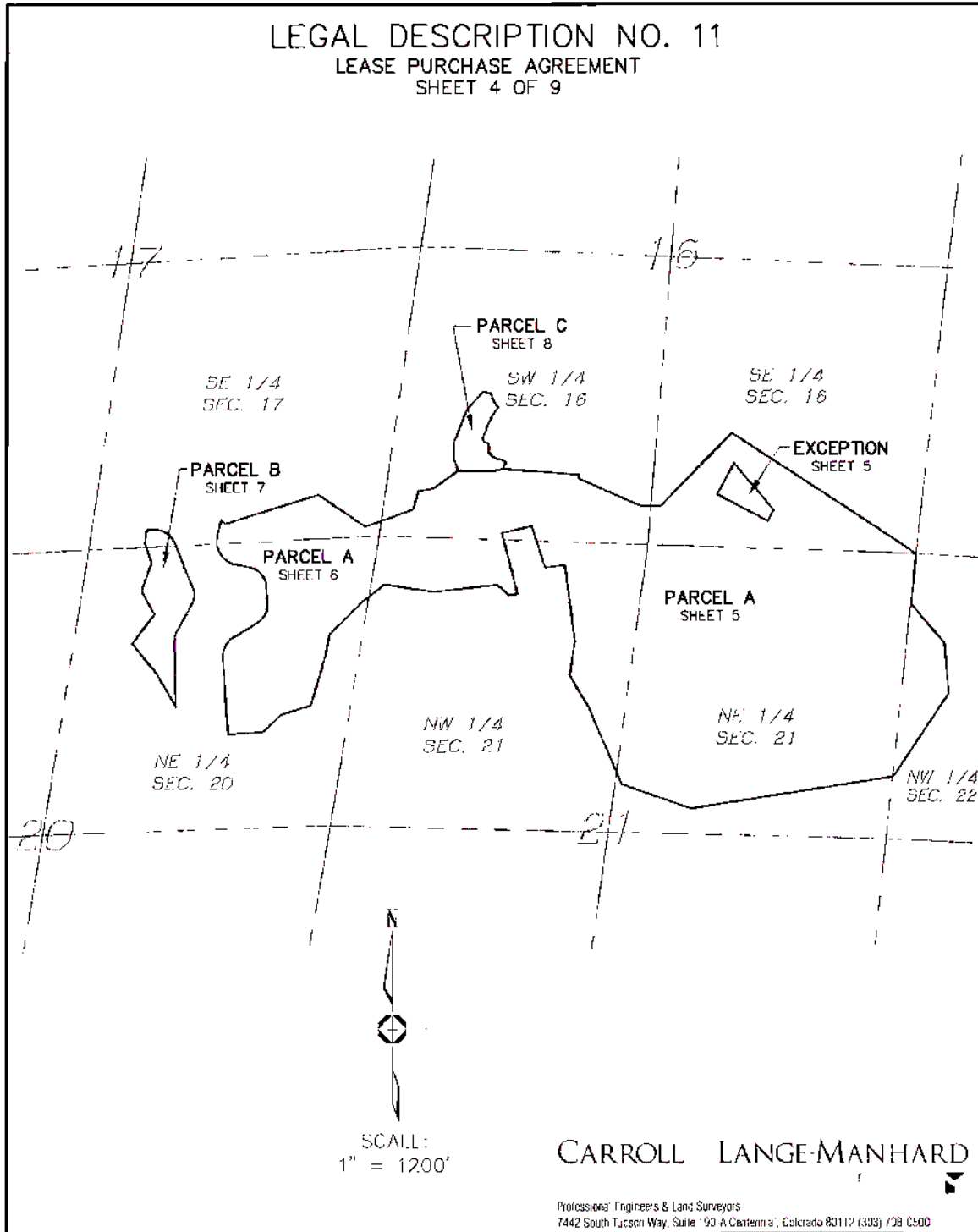
JAMES M. ROAKE, P.L.S. 37898  
FOR AND ON BEHALF OF  
CARROLL & LANGE, INC.



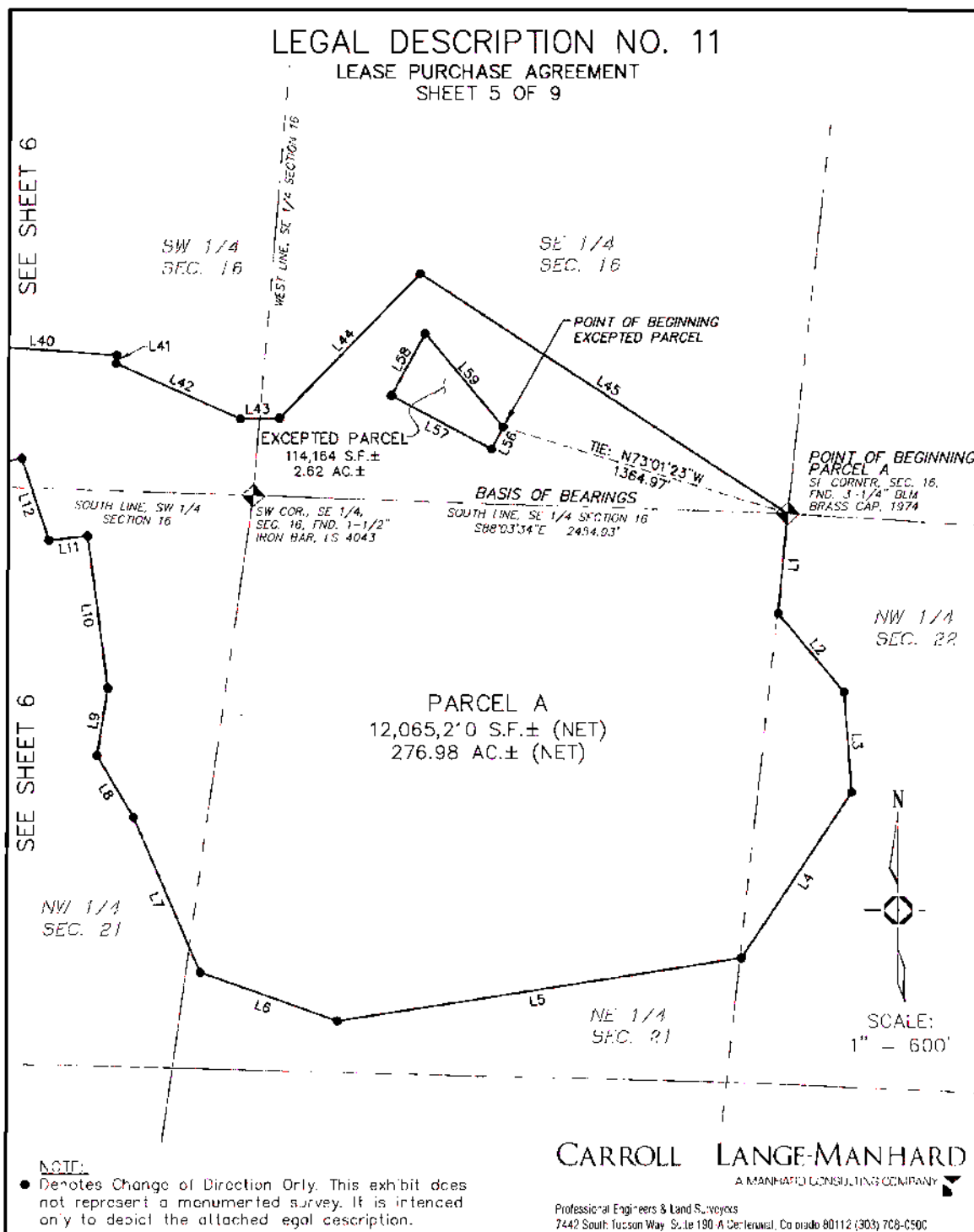
1-7-13  
DATE

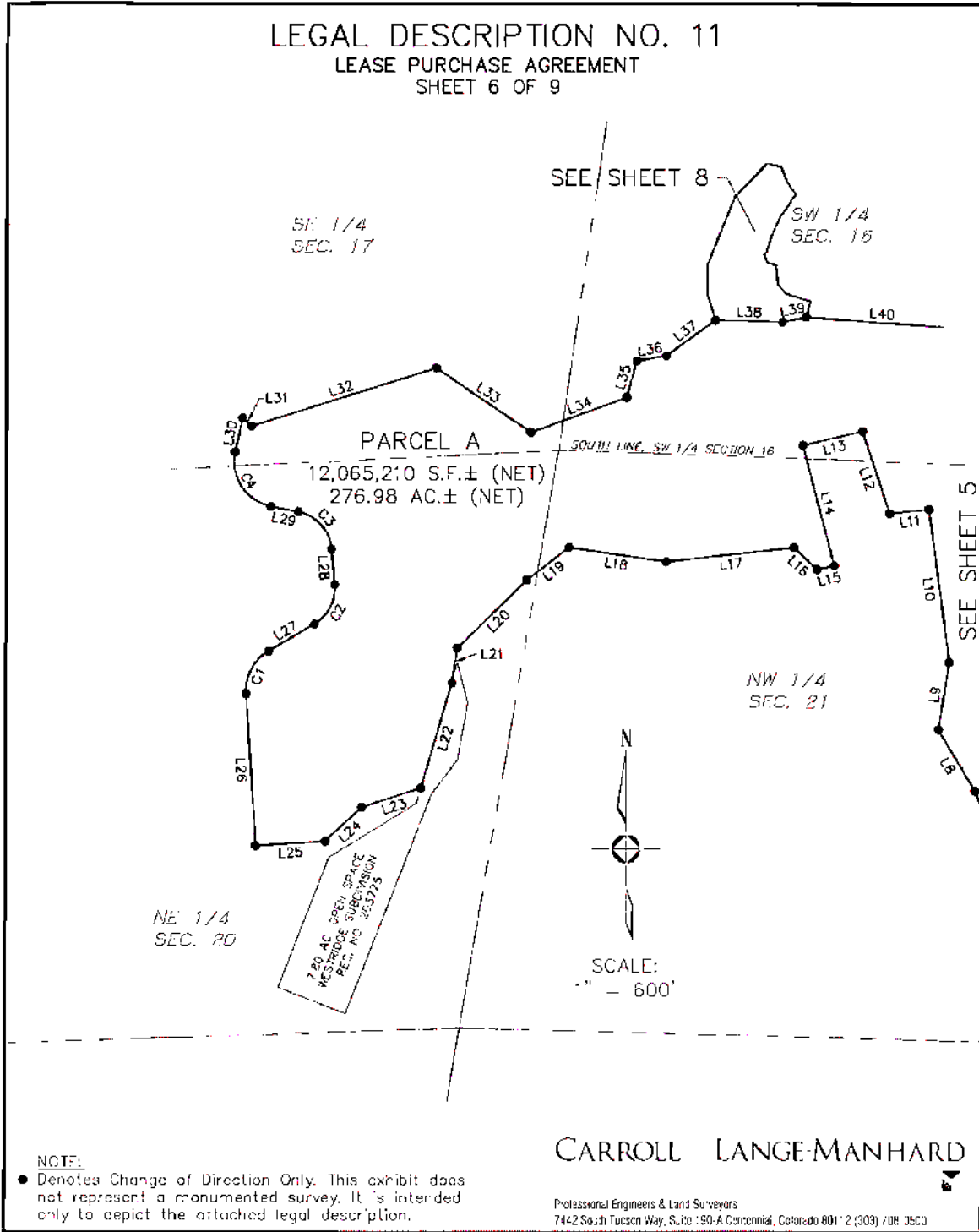
CARROLL LANGE-MANHARD

Professional Engineers & Land Surveyors  
7442 South Tucson Way, Suite 190-A Centennial, Colorado 80112 (303) 708-0600



P:\Ghtarc2\dwg\Surv\Final Drawings\Exhibits Surv\2013 - Lease Purchase\Purchase 1'\_0'06'3\_SCT





P:\Orhgr2\diag\Survey\11a Drawing\Exhibits\_Surv\2013 Lease Purchase\...Purchase\_11\_C10613 8/1

LEGAL DESCRIPTION NO. 11  
 LEASE PURCHASE AGREEMENT  
 SHEET 7 OF 9

SE 1/4  
 SEC. 17

PARCEL B  
 448,639 S.F.±  
 10.299 AC.±

POINT OF  
 COMMENCEMENT  
 SE CORNER, SEC. 16,  
 FND. 3 1/4" BIM  
 BRASS CAP, 1974

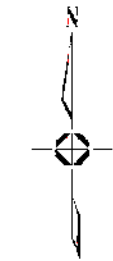
SW COR., SE 1/4,  
 SEC. 16, FND. 1-1/2"  
 IRON BAR, IS 4043

BASIS OF BEARINGS  
 SOUTH LINE, SE 1/4 SECTION 16  
 S86°03'34"E 2454.95'

TIE: S78°20'20"W 6915.33'

POINT OF  
 BEGINNING  
 PARCEL B

NE 1/4  
 SEC. 20



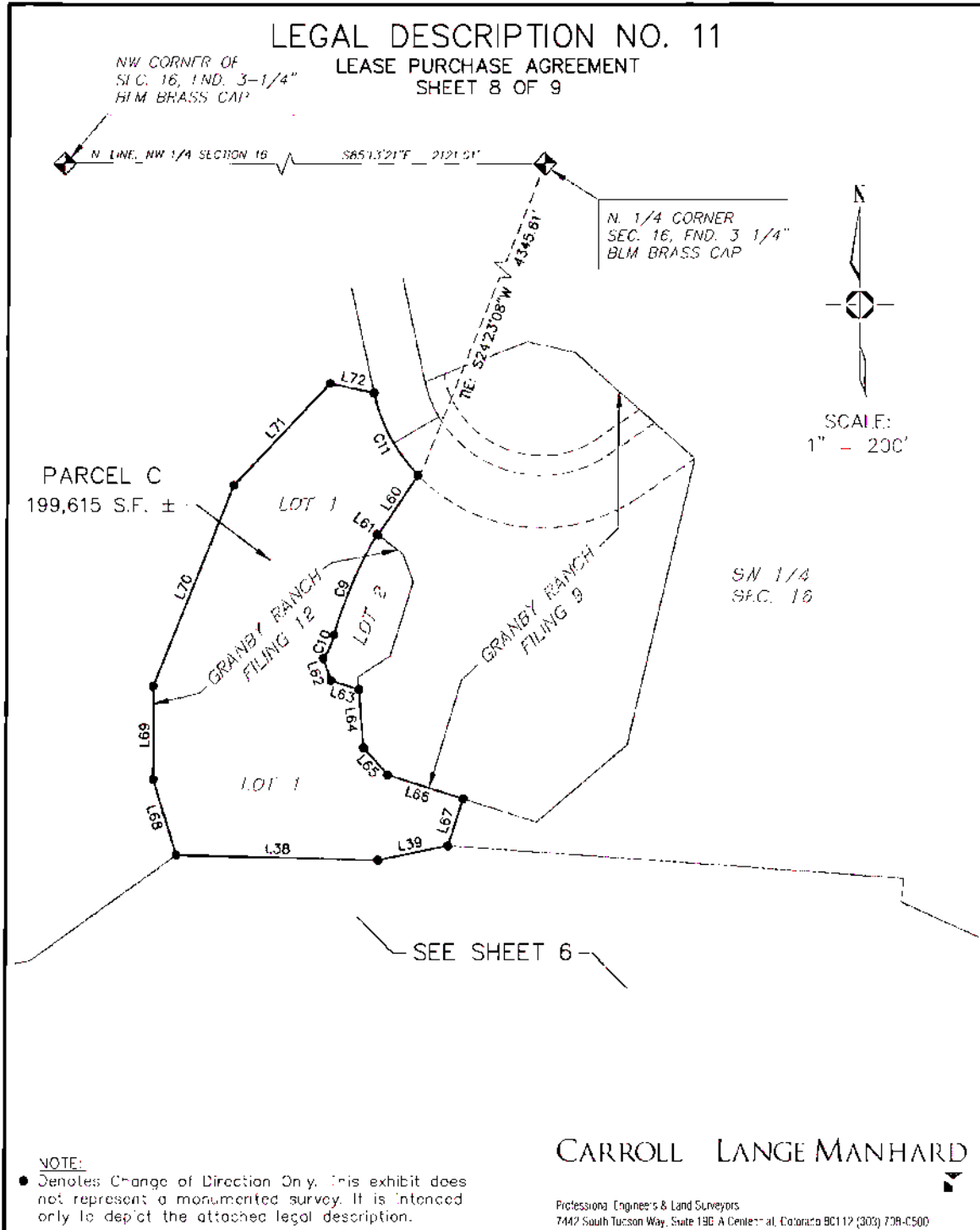
SCALE:  
 1" = 600'

NOTE:

- Denotes Change of Direction Only. This exhibit does not represent a monumented survey. It is intended only to depict the attached legal description.

CARROLL LANGE-MANHARD

Professional Engineers & Land Surveyors  
 7442 South Tucson Way, Suite 190-A Centennial, Colorado 80112 (303) 708-0500



P:\2021\2\dwg\Surv\incl Drawings\Exhibits\_Surv\2013 - Lease Purchase\...Purchase 11\_012513\_SCI

LEGAL DESCRIPTION NO. 11  
LEASE PURCHASE AGREEMENT  
SHEET 9 OF 9

| LINE TABLE |          |             |
|------------|----------|-------------|
| LINE       | LENGTH   | BEARING     |
| L1         | 462.06'  | S05°26'12"W |
| L2         | 469.61'  | S40°07'39"E |
| L3         | 462.16'  | S04°18'25"E |
| L4         | 915.51'  | S33°32'02"W |
| L5         | 1875.21' | S81°08'12"W |
| L6         | 668.03'  | N70°30'00"W |
| L7         | 776.98'  | N23°18'26"W |
| L8         | 328.94'  | N30°49'51"W |
| L9         | 513.33'  | N08°04'28"E |
| L10        | 706.28'  | N67°43'55"W |
| L11        | 179.60'  | S83°39'49"W |
| L12        | 396.49'  | N18°13'07"W |
| L13        | 280.22'  | S76°42'33"W |
| L14        | 570.85'  | S°4'43'51"E |
| L15        | 81.46'   | S77°24'42"W |
| L16        | 145.16'  | N46°17'56"W |
| L17        | 588.82'  | S83°40'40"W |
| L18        | 451.13'  | N8°31'51"W  |
| L19        | 243.82'  | S52°15'23"W |
| L20        | 446.51'  | S45°27'54"W |
| L21        | 161.42'  | S08°47'03"W |
| L22        | 562.04'  | S16°16'51"W |
| L23        | 283.80'  | S72°02'29"W |
| L24        | 229.29'  | S45°48'58"W |
| L25        | 322.14'  | S85°25'33"W |
| L26        | 698.83'  | N03°33'35"W |
| L27        | 245.18'  | N59°16'01"E |
| L28        | 164.28'  | N01°17'39"W |
| L29        | 129.25'  | N78°53'58"W |
| L30        | 159.45'  | N12°07'54"E |
| L31        | 55.96'   | S47°40'17"E |
| L32        | 889.28'  | N72°23'16"E |
| L33        | 525.10'  | S55°41'06"E |
| L34        | 466.83'  | N70°01'41"E |
| L35        | 175.69'  | N15°21'32"E |
| L36        | 138.25'  | N80°19'01"E |

| LINE TABLE |          |             |
|------------|----------|-------------|
| LINE       | LENGTH   | BEARING     |
| L37        | 276.17'  | N53°59'13"E |
| L38        | 307.57'  | S88°37'12"E |
| L39        | 108.71'  | N78°19'12"E |
| L40        | 895.64'  | S85°5'25"E  |
| L41        | 35.68'   | S04°47'55"W |
| L42        | 827.82'  | S65°56'43"E |
| L43        | 178.77'  | N88°45'26"E |
| L44        | 929.57'  | N44°0'34"E  |
| L45        | 2076.36' | S56°43'40"E |
| L46        | 348.56'  | N29°40'56"W |
| L47        | 356.52'  | N39°20'38"W |
| L48        | 336.92'  | N36°59'58"E |
| L49        | 243.37'  | N28°32'00"W |
| L50        | 274.21'  | N19°06'15"E |
| L51        | 180.51'  | N19°20'21"W |
| L52        | 120.69'  | N04°42'05"E |
| L53        | 416.94'  | S22°09'28"E |
| L54        | 258.29'  | S29°17'47"W |
| L55        | 588.47'  | S01°06'49"E |
| L56        | 114.25'  | S28°16'56"W |
| L57        | 520.40'  | N6°43'04"W  |
| L58        | 324.51'  | N28°16'56"E |
| L59        | 561.27'  | S39°43'04"E |
| L60        | 109.64'  | S33°51'35"W |
| L61        | 1.52'    | N52°18'05"W |
| L62        | 35.32'   | S19°31'53"E |
| L63        | 45.09'   | S71°02'21"E |
| L64        | 88.48'   | S04°19'36"E |
| L65        | 55.91'   | S41°58'51"E |
| L66        | 120.53'  | S72°14'42"E |
| L67        | 75.17'   | S°7'45'19"W |
| L68        | 121.46'  | N17°08'17"W |
| L69        | 142.09'  | N00°00'00"E |
| L70        | 330.83'  | N21°46'58"E |
| L71        | 213.94'  | N43°15'18"E |
| L72        | 68.26'   | S77°58'44"E |

| CURVE TABLE |           |         |         |             |
|-------------|-----------|---------|---------|-------------|
| CURVE       | DELTA     | RADIUS  | LENGTH  | BEARING     |
| C1          | 62°49'37" | 210.00' | 230.27' | N27°51'13"E |
| C2          | 64°03'40" | 190.00' | 212.43' | N27°14'11"E |
| C3          | 74°06'19" | 190.00' | 245.74' | N41°33'48"W |
| C4          | 91°01'52" | 210.00' | 333.65' | N33°23'02"W |
| C5          | 87°23'52" | 210.00' | 320.33' | S65°51'24"E |
| C6          | 51°27'15" | 210.00' | 185.59' | S03°34'09"W |
| C7          | 30°24'36" | 190.00' | 100.84' | S14°05'29"W |
| C8          | 04°15'11" | 190.00' | 14.10'  | S03°14'24"E |
| C9          | 13°45'13" | 698.00' | 167.55' | S22°59'47"W |
| C10         | 17°4'51"  | 132.00' | 39.74'  | S24°44'36"W |
| C11         | 31°44'20" | 262.00' | 145.14' | S28°04'58"E |

CARROLL LANGE-MANHARD

Professional Engineers & Land Surveyors  
7442 South Tucson Way, Suite 190-A Centennial, Colorado 80112 (303) 738-0500

LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT  
SHEET 1 OF 20

PARCEL A

A PARCEL OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 9 AND THE NORTHWEST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 16 AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;  
THENCE NORTH 26°44'12" WEST, A DISTANCE OF 571.88 FEET TO THE POINT OF BEGINNING;  
THENCE SOUTH 10°49'06" EAST, A DISTANCE OF 171.78 FEET;  
THENCE SOUTH 31°11'51" WEST, A DISTANCE OF 69.43 FEET;  
THENCE SOUTH 30°16'00" EAST, A DISTANCE OF 215.08 FEET;  
THENCE SOUTH 04°11'05" EAST, A DISTANCE OF 200.36 FEET;  
THENCE SOUTH 22°03'30" WEST, A DISTANCE OF 190.31 FEET;  
THENCE SOUTH 23°39'38" WEST, A DISTANCE OF 264.41 FEET;  
THENCE SOUTH 24°58'22" WEST, A DISTANCE OF 115.00 FEET;  
THENCE SOUTH 10°51'59" WEST, A DISTANCE OF 86.25 FEET;  
THENCE SOUTH 30°43'41" WEST, A DISTANCE OF 238.89 FEET;  
THENCE SOUTH 41°30'36" WEST, A DISTANCE OF 87.33 FEET;  
THENCE SOUTH 18°22'17" WEST, A DISTANCE OF 99.73 FEET;  
THENCE SOUTH 39°28'33" WEST, A DISTANCE OF 65.32 FEET;  
THENCE SOUTH 11°27'17" WEST, A DISTANCE OF 75.79 FEET;  
THENCE SOUTH 55°40'15" WEST, A DISTANCE OF 123.34 FEET;  
THENCE SOUTH 13°38'01" WEST, A DISTANCE OF 64.58 FEET;  
THENCE SOUTH 47°16'02" WEST, A DISTANCE OF 87.81 FEET;  
THENCE NORTH 86°35'47" WEST, A DISTANCE OF 65.54 FEET;  
THENCE SOUTH 78°18'36" WEST, A DISTANCE OF 131.94 FEET;  
THENCE SOUTH 51°51'24" WEST, A DISTANCE OF 67.58 FEET;  
THENCE SOUTH 67°51'37" WEST, A DISTANCE OF 109.15 FEET;  
THENCE SOUTH 11°11'42" WEST, A DISTANCE OF 122.16 FEET;  
THENCE SOUTH 69°13'13" WEST, A DISTANCE OF 188.52 FEET;  
THENCE SOUTH 54°18'35" WEST, A DISTANCE OF 134.87 FEET;  
THENCE NORTH 52°47'23" WEST, A DISTANCE OF 52.62 FEET;  
THENCE SOUTH 78°05'00" WEST, A DISTANCE OF 71.47 FEET;  
THENCE SOUTH 41°40'33" WEST, A DISTANCE OF 32.64 FEET;  
THENCE SOUTH 00°36'21" WEST, A DISTANCE OF 49.50 FEET;  
THENCE SOUTH 36°08'18" WEST, A DISTANCE OF 71.00 FEET;  
THENCE SOUTH 51°14'10" WEST, A DISTANCE OF 68.71 FEET;  
THENCE NORTH 76°12'40" WEST, A DISTANCE OF 75.76 FEET;  
THENCE NORTH 36°58'35" WEST, A DISTANCE OF 49.72 FEET;  
THENCE NORTH 10°19'49" WEST, A DISTANCE OF 114.91 FEET;  
THENCE NORTH 24°05'05" EAST, A DISTANCE OF 63.70 FEET;  
THENCE NORTH 15°11'40" WEST, A DISTANCE OF 155.34 FEET;  
THENCE NORTH 87°04'56" WEST, A DISTANCE OF 83.10 FEET;  
THENCE NORTH 65°31'18" WEST, A DISTANCE OF 60.38 FEET;  
THENCE NORTH 11°40'03" EAST, A DISTANCE OF 65.27 FEET;  
THENCE SOUTH 85°25'56" EAST, A DISTANCE OF 85.07 FEET;

CARROLL LANGE-MANHARD

Professional Engineers & Land Surveyors  
7442 South Tucson Way, Suite 190-A Centennial, Colorado 80112 (303) 708-0500

LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT  
PARCEL A CONTINUED ... SHEET 2 OF 20

THENCE SOUTH 72°57'12" EAST, A DISTANCE OF 111.59 FEET;  
THENCE NORTH 59°41'08" EAST, A DISTANCE OF 67.87 FEET;  
THENCE NORTH 87°25'31" EAST, A DISTANCE OF 96.77 FEET;  
THENCE NORTH 35°17'22" EAST, A DISTANCE OF 85.17 FEET;  
THENCE NORTH 42°20'14" EAST, A DISTANCE OF 173.28 FEET;  
THENCE NORTH 67°27'08" EAST, A DISTANCE OF 187.78 FEET;  
THENCE NORTH 53°50'25" EAST, A DISTANCE OF 183.67 FEET;  
THENCE NORTH 42°27'46" EAST, A DISTANCE OF 122.32 FEET;  
THENCE NORTH 64°40'04" EAST, A DISTANCE OF 60.50 FEET;  
THENCE NORTH 28°59'59" EAST, A DISTANCE OF 74.31 FEET;  
THENCE NORTH 01°00'12" WEST, A DISTANCE OF 170.85 FEET;  
THENCE NORTH 41°17'24" EAST, A DISTANCE OF 74.77 FEET;  
THENCE NORTH 15°21'08" EAST, A DISTANCE OF 57.99 FEET;  
THENCE NORTH 31°53'32" EAST, A DISTANCE OF 133.53 FEET;  
THENCE SOUTH 86°38'08" EAST, A DISTANCE OF 65.21 FEET;  
THENCE NORTH 06°10'55" EAST, A DISTANCE OF 64.88 FEET;  
THENCE NORTH 46°20'47" EAST, A DISTANCE OF 106.06 FEET;  
THENCE NORTH 44°41'02" EAST, A DISTANCE OF 67.03 FEET;  
THENCE NORTH 02°52'47" EAST, A DISTANCE OF 203.27 FEET;  
THENCE NORTH 10°49'47" EAST, A DISTANCE OF 141.19 FEET;  
THENCE NORTH 25°50'54" EAST, A DISTANCE OF 204.17 FEET;  
THENCE NORTH 33°56'56" EAST, A DISTANCE OF 113.87 FEET;  
THENCE NORTH 11°18'19" EAST, A DISTANCE OF 161.91 FEET;  
THENCE NORTH 59°56'47" EAST, A DISTANCE OF 145.06 FEET;  
THENCE SOUTH 56°47'03" EAST, A DISTANCE OF 49.98 FEET TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 1,156,452 SQUARE FEET OR 26.548 ACRES, MORE OR LESS;

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL:

PARCEL B

A PARCEL OF LAND LOCATED IN THE WEST HALF OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;  
THENCE NORTH 48°58'10" WEST, A DISTANCE OF 949.01 FEET TO THE POINT OF BEGINNING;  
THENCE SOUTH 27°39'05" WEST, A DISTANCE OF 149.56 FEET;  
THENCE NORTH 21°49'51" WEST, A DISTANCE OF 85.31 FEET;  
THENCE NORTH 02°16'58" EAST, A DISTANCE OF 95.73 FEET;  
THENCE NORTH 19°40'54" WEST, A DISTANCE OF 122.30 FEET;  
THENCE NORTH 02°50'12" WEST, A DISTANCE OF 91.94 FEET;  
THENCE NORTH 18°59'59" WEST, A DISTANCE OF 114.67 FEET;

CARROLL LANGE-MANHARD  
A MANHARD CONSULTING COMPANY

Professional Engineers & Land Surveyors  
7442 South Tejon Way, Suite 19C A Centennial, Colorado 80112 (303) 706-0500

## LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT

SHEET 3 OF 20

PARCEL B CONTINUED ...

THENCE SOUTH 90°00'00" WEST, A DISTANCE OF 31.02 FEET;  
THENCE SOUTH 31°07'32" WEST, A DISTANCE OF 78.31 FEET;  
THENCE SOUTH 05°20'45" WEST, A DISTANCE OF 120.20 FEET;  
THENCE SOUTH 02°26'45" WEST, A DISTANCE OF 100.38 FEET;  
THENCE SOUTH 04°02'51" WEST, A DISTANCE OF 204.18 FEET;  
THENCE SOUTH 14°20'29" WEST, A DISTANCE OF 164.88 FEET;  
THENCE SOUTH 21°12'57" WEST, A DISTANCE OF 70.29 FEET;  
THENCE SOUTH 60°57'36" WEST, A DISTANCE OF 110.15 FEET;  
THENCE NORTH 87°13'39" WEST, A DISTANCE OF 90.06 FEET;  
THENCE NORTH 15°02'55" WEST, A DISTANCE OF 141.96 FEET;  
THENCE NORTH 04°12'38" EAST, A DISTANCE OF 152.32 FEET;  
THENCE NORTH 06°26'21" EAST, A DISTANCE OF 190.62 FEET;  
THENCE NORTH 17°54'52" WEST, A DISTANCE OF 121.68 FEET;  
THENCE NORTH 06°21'04" EAST, A DISTANCE OF 102.49 FEET;  
THENCE NORTH 15°56'2" EAST, A DISTANCE OF 313.13 FEET;  
THENCE NORTH 12°24'16" EAST, A DISTANCE OF 262.38 FEET;  
THENCE NORTH 04°53'46" EAST, A DISTANCE OF 264.05 FEET;  
THENCE NORTH 39°38'10" EAST, A DISTANCE OF 35.47 FEET;  
THENCE NORTH 78°38'27" EAST, A DISTANCE OF 108.22 FEET;  
THENCE NORTH 12°1'54" EAST, A DISTANCE OF 144.88 FEET;  
THENCE NORTH 57°01'32" EAST, A DISTANCE OF 81.13 FEET;  
THENCE NORTH 35°24'11" EAST, A DISTANCE OF 58.37 FEET;  
THENCE NORTH 39°59'50" EAST, A DISTANCE OF 125.13 FEET;  
THENCE NORTH 25°56'46" EAST, A DISTANCE OF 148.00 FEET;  
THENCE NORTH 34°59'42" EAST, A DISTANCE OF 89.86 FEET;  
THENCE NORTH 18°57'13" EAST, A DISTANCE OF 120.37 FEET;  
THENCE NORTH 28°31'37" EAST, A DISTANCE OF 79.61 FEET;  
THENCE NORTH 04°37'14" EAST, A DISTANCE OF 66.36 FEET;  
THENCE NORTH 20°45'26" EAST, A DISTANCE OF 119.34 FEET;  
THENCE NORTH 34°01'38" EAST, A DISTANCE OF 57.73 FEET;  
THENCE NORTH 51°45'22" EAST, A DISTANCE OF 75.61 FEET;  
THENCE NORTH 61°34'35" EAST, A DISTANCE OF 222.24 FEET;  
THENCE SOUTH 63°32'41" EAST, A DISTANCE OF 106.62 FEET;  
THENCE SOUTH 77°22'29" EAST, A DISTANCE OF 81.80 FEET;  
THENCE NORTH 78°50'24" EAST, A DISTANCE OF 160.26 FEET;  
THENCE SOUTH 86°01'42" EAST, A DISTANCE OF 96.95 FEET;  
THENCE NORTH 67°15'54" EAST, A DISTANCE OF 60.50 FEET;  
THENCE NORTH 82°24'59" EAST, A DISTANCE OF 39.98 FEET;  
THENCE SOUTH 39°09'53" EAST, A DISTANCE OF 36.16 FEET;  
THENCE SOUTH 05°49'59" WEST, A DISTANCE OF 88.47 FEET;  
THENCE SOUTH 35°11'24" EAST, A DISTANCE OF 49.09 FEET;  
THENCE NORTH 62°06'13" EAST, A DISTANCE OF 68.56 FEET;  
THENCE SOUTH 18°17'35" EAST, A DISTANCE OF 86.80 FEET;

CARROLL LANGE-MANHARD

Professional Engineers & Land Surveyors  
7447 South Tucson Way, Suite 130-A Centennial, Colorado 80112 (303) 709-0500

LEGAL DESCRIPTION NO. 12  
LEASE PURCHASE AGREEMENT  
SHEET 4 OF 20

PARCEL B CONTINUED ...

THENCE SOUTH 16°56'59" EAST, A DISTANCE OF 73.19 FEET;  
THENCE NORTH 66°29'56" WEST, A DISTANCE OF 70.79 FEET;  
THENCE SOUTH 81°00'13" WEST, A DISTANCE OF 89.18 FEET;  
THENCE SOUTH 44°58'52" WEST, A DISTANCE OF 45.06 FEET;  
THENCE SOUTH 12°28'45" EAST, A DISTANCE OF 51.01 FEET;  
THENCE NORTH 76°57'53" EAST, A DISTANCE OF 52.93 FEET;  
THENCE SOUTH 79°49'58" EAST, A DISTANCE OF 49.58 FEET;  
THENCE SOUTH 07°39'34" WEST, A DISTANCE OF 86.53 FEET;  
THENCE SOUTH 24°56'04" EAST, A DISTANCE OF 104.72 FEET;  
THENCE SOUTH 23°49'54" WEST, A DISTANCE OF 57.42 FEET;  
THENCE SOUTH 50°21'02" WEST, A DISTANCE OF 249.87 FEET;  
THENCE SOUTH 64°05'45" WEST, A DISTANCE OF 307.77 FEET;  
THENCE SOUTH 45°21'15" WEST, A DISTANCE OF 217.70 FEET;  
THENCE SOUTH 17°45'31" EAST, A DISTANCE OF 94.51 FEET;  
THENCE SOUTH 41°28'07" WEST, A DISTANCE OF 218.66 FEET;  
THENCE SOUTH 24°48'52" WEST, A DISTANCE OF 98.87 FEET;  
THENCE SOUTH 18°35'35" EAST, A DISTANCE OF 144.24 FEET;  
THENCE SOUTH 09°37'22" EAST, A DISTANCE OF 102.50 FEET;  
THENCE SOUTH 12°47'12" WEST, A DISTANCE OF 140.40 FEET;  
THENCE NORTH 89°19'22" EAST, A DISTANCE OF 57.18 FEET;  
THENCE SOUTH 65°15'57" EAST, A DISTANCE OF 43.57 FEET;  
THENCE SOUTH 04°34'27" WEST, A DISTANCE OF 90.43 FEET;  
THENCE SOUTH 16°53'14" WEST, A DISTANCE OF 120.22 FEET;  
THENCE NORTH 89°17'49" WEST, A DISTANCE OF 102.69 FEET;  
THENCE SOUTH 71°44'29" WEST, A DISTANCE OF 214.86 FEET;  
THENCE SOUTH 25°49'26" WEST, A DISTANCE OF 86.57 FEET;  
THENCE SOUTH 17°12'32" WEST, A DISTANCE OF 143.89 FEET;  
TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 1,899,822 SQUARE FEET OR 43.614 ACRES, MORE OR LESS;

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL:

PARCEL C

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE

CARROLL LANGE-MANHARD

Professional Engineers & Land Surveyors  
7442 South Tucson Way, Suite 130-A Centennial, Colorado 80112 (303) 708-0500

LEGAL DESCRIPTION NO. 12  
LEASE PURCHASE AGREEMENT  
SHEET 5 OF 20

PARCEL C CONTINUED ...

NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE NORTH 23°23'47" EAST, A DISTANCE OF 4054.03 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 22°32'13" WEST, A DISTANCE OF 67.33 FEET;

THENCE NORTH 41°45'40" WEST, A DISTANCE OF 65.72 FEET;

THENCE NORTH 36°12'35" WEST, A DISTANCE OF 70.46 FEET;

THENCE NORTH 09°47'35" WEST, A DISTANCE OF 83.86 FEET;

THENCE NORTH 57°14'35" EAST, A DISTANCE OF 142.17 FEET;

THENCE NORTH 28°15'10" EAST, A DISTANCE OF 79.96 FEET;

THENCE NORTH 42°41'22" EAST, A DISTANCE OF 66.46 FEET;

THENCE NORTH 22°46'58" EAST, A DISTANCE OF 58.81 FEET;

THENCE NORTH 05°42'12" WEST, A DISTANCE OF 135.05 FEET;

THENCE NORTH 41°20'11" WEST, A DISTANCE OF 36.09 FEET;

THENCE SOUTH 83°42'01" WEST, A DISTANCE OF 51.56 FEET;

THENCE NORTH 35°04'28" WEST, A DISTANCE OF 61.74 FEET;

THENCE SOUTH 86°15'56" WEST, A DISTANCE OF 74.59 FEET;

THENCE NORTH 05°59'49" WEST, A DISTANCE OF 18.59 FEET;

THENCE NORTH 80°55'02" EAST, A DISTANCE OF 277.05 FEET;

THENCE SOUTH 13°11'14" EAST, A DISTANCE OF 28.80 FEET;

THENCE SOUTH 27°32'14" WEST, A DISTANCE OF 43.04 FEET;

THENCE SOUTH 17°59'41" EAST, A DISTANCE OF 57.88 FEET;

THENCE SOUTH 00°00'42" EAST, A DISTANCE OF 115.67 FEET;

THENCE SOUTH 05°21'27" EAST, A DISTANCE OF 109.22 FEET;

THENCE SOUTH 37°30'03" WEST, A DISTANCE OF 103.69 FEET;

THENCE SOUTH 05°33'23" WEST, A DISTANCE OF 183.33 FEET;

THENCE SOUTH 37°55'57" EAST, A DISTANCE OF 77.94 FEET;

THENCE SOUTH 18°18'43" WEST, A DISTANCE OF 59.33 FEET;

THENCE SOUTH 56°19'33" WEST, A DISTANCE OF 82.46 FEET;

THENCE NORTH 82°20'58" WEST, A DISTANCE OF 68.14 FEET TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 116,372 SQUARE FEET OR 2.672 ACRES, MORE OR LESS;

TOGETHER WITH THE FOLLOWING DESCRIBED PARCEL:

PARCEL D

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 4 AND THE NORTH HALF OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

CARROLL LANGE-MANHARD

A MANHARD CONSULTING COMPANY

Professional Engineers & Land Surveyors

7442 South Tucson Way, Suite 193-A Centennial, Colorado 80112 (303) 708-0500

### LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT

PARCEL D CONTINUED ...

SHEET 6 OF 20

THENCE NORTH 24°07'19" EAST, A DISTANCE OF 5292.12 FEET TO THE POINT OF BEGINNING;  
THENCE SOUTH 78°47'25" WEST, A DISTANCE OF 163.25 FEET;  
THENCE SOUTH 35°19'21" WEST, A DISTANCE OF 132.49 FEET;  
THENCE SOUTH 51°31'58" WEST, A DISTANCE OF 66.16 FEET;  
THENCE SOUTH 83°14'12" WEST, A DISTANCE OF 60.79 FEET;  
THENCE NORTH 68°06'15" WEST, A DISTANCE OF 21.21 FEET;  
THENCE SOUTH 60°38'26" WEST, A DISTANCE OF 368.49 FEET;  
THENCE SOUTH 68°38'33" WEST, A DISTANCE OF 53.15 FEET;  
THENCE SOUTH 80°51'55" WEST, A DISTANCE OF 47.32 FEET;  
THENCE NORTH 72°12'48" WEST, A DISTANCE OF 94.40 FEET;  
THENCE NORTH 61°57'12" WEST, A DISTANCE OF 93.32 FEET;  
THENCE NORTH 82°07'24" WEST, A DISTANCE OF 87.35 FEET;  
THENCE NORTH 46°25'18" WEST, A DISTANCE OF 154.87 FEET;  
THENCE NORTH 51°57'32" WEST, A DISTANCE OF 185.44 FEET;  
THENCE NORTH 48°24'52" WEST, A DISTANCE OF 328.84 FEET;  
THENCE NORTH 31°30'02" WEST, A DISTANCE OF 75.47 FEET;  
THENCE NORTH 15°27'13" WEST, A DISTANCE OF 160.03 FEET;  
THENCE NORTH 07°52'52" WEST, A DISTANCE OF 166.48 FEET;  
THENCE NORTH 21°22'23" WEST, A DISTANCE OF 150.38 FEET;  
THENCE NORTH 03°34'44" EAST, A DISTANCE OF 97.67 FEET;  
THENCE NORTH 06°59'38" WEST, A DISTANCE OF 171.36 FEET;  
THENCE NORTH 23°20'48" EAST, A DISTANCE OF 91.96 FEET;  
THENCE NORTH 11°13'40" WEST, A DISTANCE OF 68.56 FEET;  
THENCE NORTH 87°51'51" WEST, A DISTANCE OF 94.29 FEET;  
THENCE NORTH 53°30'47" WEST, A DISTANCE OF 48.62 FEET;  
THENCE NORTH 68°08'50" WEST, A DISTANCE OF 110.80 FEET;  
THENCE NORTH 56°44'29" WEST, A DISTANCE OF 120.36 FEET;  
THENCE NORTH 80°58'26" WEST, A DISTANCE OF 111.84 FEET;  
THENCE NORTH 64°44'06" WEST, A DISTANCE OF 155.45 FEET;  
THENCE NORTH 22°53'02" WEST, A DISTANCE OF 127.41 FEET;  
THENCE NORTH 77°51'20" WEST, A DISTANCE OF 94.54 FEET;  
THENCE NORTH 45°39'52" WEST, A DISTANCE OF 111.50 FEET;  
THENCE NORTH 24°18'34" WEST, A DISTANCE OF 142.31 FEET;  
THENCE SOUTH 72°51'35" WEST, A DISTANCE OF 47.42 FEET;  
THENCE NORTH 42°05'34" WEST, A DISTANCE OF 95.69 FEET;  
THENCE NORTH 34°41'33" WEST, A DISTANCE OF 133.02 FEET;  
THENCE NORTH 29°21'22" WEST, A DISTANCE OF 99.21 FEET;  
THENCE NORTH 73°48'33" EAST, A DISTANCE OF 65.16 FEET;  
THENCE SOUTH 79°13'24" EAST, A DISTANCE OF 71.29 FEET;  
THENCE SOUTH 39°13'10" EAST, A DISTANCE OF 274.27 FEET;  
THENCE SOUTH 46°58'23" WEST, A DISTANCE OF 57.64 FEET;  
THENCE SOUTH 14°19'09" EAST, A DISTANCE OF 80.36 FEET;  
THENCE NORTH 70°21'39" EAST, A DISTANCE OF 51.23 FEET;  
THENCE SOUTH 51°56'34" EAST, A DISTANCE OF 30.29 FEET;  
THENCE SOUTH 08°37'05" WEST, A DISTANCE OF 39.78 FEET;  
THENCE SOUTH 28°14'50" EAST, A DISTANCE OF 67.19 FEET;

CARROLL LANGE-MANHARD

Professional Engineers & Land Surveyors  
7442 South Tucson Way, Suite 190-A Centennial, Colorado 80112 (303) 768-0500

# LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT

SHEET 7 OF 20

PARCEL D CONTINUED ...

THENCE SOUTH 83°51'03" EAST, A DISTANCE OF 59.79 FEET;  
THENCE NORTH 25°27'50" EAST, A DISTANCE OF 62.15 FEET;  
THENCE NORTH 65°27'49" EAST, A DISTANCE OF 157.00 FEET;  
THENCE SOUTH 64°12'58" EAST, A DISTANCE OF 52.97 FEET;  
THENCE SOUTH 84°40'45" EAST, A DISTANCE OF 106.79 FEET;  
THENCE NORTH 13°32'50" EAST, A DISTANCE OF 68.01 FEET;  
THENCE NORTH 38°43'32" EAST, A DISTANCE OF 71.32 FEET;  
THENCE NORTH 87°55'13" EAST, A DISTANCE OF 230.16 FEET;  
THENCE NORTH 53°24'51" EAST, A DISTANCE OF 87.28 FEET;  
THENCE NORTH 89°21'10" EAST, A DISTANCE OF 174.38 FEET;  
THENCE NORTH 56°08'18" EAST, A DISTANCE OF 96.73 FEET;  
THENCE SOUTH 68°32'34" EAST, A DISTANCE OF 112.66 FEET;  
THENCE SOUTH 84°45'59" EAST, A DISTANCE OF 127.39 FEET;  
THENCE SOUTH 41°13'30" EAST, A DISTANCE OF 92.74 FEET;  
THENCE NORTH 22°52'01" EAST, A DISTANCE OF 42.81 FEET;  
THENCE NORTH 46°13'17" EAST, A DISTANCE OF 109.61 FEET;  
THENCE NORTH 82°04'23" EAST, A DISTANCE OF 57.35 FEET;  
THENCE SOUTH 41°46'28" EAST, A DISTANCE OF 98.06 FEET;  
THENCE NORTH 40°23'14" EAST, A DISTANCE OF 55.60 FEET;  
THENCE SOUTH 73°39'23" EAST, A DISTANCE OF 125.66 FEET;  
THENCE SOUTH 66°06'13" EAST, A DISTANCE OF 131.12 FEET;  
THENCE SOUTH 82°07'57" EAST, A DISTANCE OF 477.61 FEET;  
THENCE NORTH 88°01'42" EAST, A DISTANCE OF 204.65 FEET;  
THENCE SOUTH 81°22'37" EAST, A DISTANCE OF 79.32 FEET;  
THENCE SOUTH 16°33'23" EAST, A DISTANCE OF 67.68 FEET;  
THENCE SOUTH 84°20'44" EAST, A DISTANCE OF 140.37 FEET;  
THENCE SOUTH 67°12'01" EAST, A DISTANCE OF 240.45 FEET;  
THENCE SOUTH 79°00'59" EAST, A DISTANCE OF 85.94 FEET;  
THENCE SOUTH 77°54'11" EAST, A DISTANCE OF 166.58 FEET;  
THENCE SOUTH 56°31'21" EAST, A DISTANCE OF 246.30 FEET;  
THENCE SOUTH 24°28'40" EAST, A DISTANCE OF 71.45 FEET;  
THENCE SOUTH 26°24'33" WEST, A DISTANCE OF 104.32 FEET;  
THENCE SOUTH 09°53'10" WEST, A DISTANCE OF 86.84 FEET;  
THENCE SOUTH 02°17'26" EAST, A DISTANCE OF 77.68 FEET;  
THENCE SOUTH 30°50'13" EAST, A DISTANCE OF 79.32 FEET;  
THENCE SOUTH 04°21'28" EAST, A DISTANCE OF 51.55 FEET;  
THENCE SOUTH 21°40'55" EAST, A DISTANCE OF 87.25 FEET;  
THENCE SOUTH 47°33'38" EAST, A DISTANCE OF 75.80 FEET;  
THENCE SOUTH 43°58'16" EAST, A DISTANCE OF 81.48 FEET;  
THENCE SOUTH 08°55'30" EAST, A DISTANCE OF 89.85 FEET;  
THENCE SOUTH 00°52'53" WEST, A DISTANCE OF 69.81 FEET;  
THENCE SOUTH 07°26'20" EAST, A DISTANCE OF 96.04 FEET;  
THENCE SOUTH 39°04'15" EAST, A DISTANCE OF 105.67 FEET;

CARROLL LANGE-MANHARD



Professional Engineers & Land Surveyors  
7442 South Tucson Way, Suite 190-A Centennial, Colorado 80112 (303) 708-0500

### LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT  
PARCEL D CONTINUED ... SHEET 8 OF 20

THENCE SOUTH 06°37'32" WEST, A DISTANCE OF 55.88 FEET;  
THENCE SOUTH 77°12'11" WEST, A DISTANCE OF 218.29 FEET;  
THENCE SOUTH 79°15'40" WEST, A DISTANCE OF 252.78 FEET;  
THENCE NORTH 83°52'38" WEST, A DISTANCE OF 70.32 FEET;  
THENCE SOUTH 75°32'07" WEST, A DISTANCE OF 61.38 FEET;  
THENCE SOUTH 82°10'21" WEST, A DISTANCE OF 67.60 FEET;  
THENCE SOUTH 69°19'31" WEST, A DISTANCE OF 104.46 FEET;  
THENCE SOUTH 84°49'41" WEST, A DISTANCE OF 151.45 FEET;  
THENCE NORTH 65°49'42" WEST, A DISTANCE OF 83.24 FEET;  
THENCE SOUTH 48°21'20" WEST, A DISTANCE OF 62.07 FEET;  
THENCE SOUTH 86°56'46" WEST, A DISTANCE OF 71.17 FEET;  
THENCE SOUTH 63°33'48" WEST, A DISTANCE OF 112.87 FEET TO THE POINT OF BEGINNING;

CONTAINING A CALCULATED AREA OF 4,848,457 SQUARE FEET OR 111.305 ACRES, MORE OR LESS;

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 4 AND THE NORTH HALF OF SECTION 9, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, AND CONSIDERING THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 TO BEAR SOUTH 88°38'53" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE NORTH 20°01'49" EAST, A DISTANCE OF 5108.17 FEET TO THE POINT OF BEGINNING;  
THENCE NORTH 86°38'35" WEST, A DISTANCE OF 58.98 FEET;  
THENCE SOUTH 72°46'32" WEST, A DISTANCE OF 43.49 FEET;  
THENCE SOUTH 46°10'36" WEST, A DISTANCE OF 37.60 FEET;  
THENCE SOUTH 67°08'56" WEST, A DISTANCE OF 42.49 FEET;  
THENCE SOUTH 75°05'11" WEST, A DISTANCE OF 21.02 FEET;  
THENCE SOUTH 57°54'37" WEST, A DISTANCE OF 26.49 FEET;  
THENCE SOUTH 33°40'26" WEST, A DISTANCE OF 33.91 FEET;  
THENCE SOUTH 22°12'44" WEST, A DISTANCE OF 43.97 FEET;  
THENCE SOUTH 33°49'06" WEST, A DISTANCE OF 100.58 FEET;  
THENCE SOUTH 71°03'11" WEST, A DISTANCE OF 141.99 FEET;  
THENCE NORTH 67°22'21" WEST, A DISTANCE OF 29.91 FEET;  
THENCE NORTH 76°23'53" WEST, A DISTANCE OF 65.61 FEET;  
THENCE NORTH 64°07'32" WEST, A DISTANCE OF 47.27 FEET;  
THENCE NORTH 40°20'20" WEST, A DISTANCE OF 25.42 FEET;  
THENCE NORTH 18°23'18" WEST, A DISTANCE OF 45.29 FEET;  
THENCE NORTH 38°58'59" WEST, A DISTANCE OF 29.01 FEET;  
THENCE NORTH 64°53'42" WEST, A DISTANCE OF 102.28 FEET;

CARROLL LANGE-MANHARD



Professional Engineers & Land Surveyors  
7442 South Tucson Way, Suite 193-A Centennial, Colorado 80112 (303) 709-0500

LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT  
SHEET 9 OF 20

EXCEPTED PARCEL CONTINUED ...

THENCE NORTH 28°36'31" WEST, A DISTANCE OF 31.73 FEET;  
THENCE NORTH 06°02'51" WEST, A DISTANCE OF 43.13 FEET;  
THENCE NORTH 14°34'12" WEST, A DISTANCE OF 28.26 FEET;  
THENCE NORTH 28°32'18" WEST, A DISTANCE OF 23.62 FEET;  
THENCE NORTH 64°58'42" WEST, A DISTANCE OF 25.39 FEET;  
THENCE SOUTH 70°41'17" WEST, A DISTANCE OF 31.29 FEET;  
THENCE NORTH 72°46'04" WEST, A DISTANCE OF 26.87 FEET;  
THENCE NORTH 22°36'35" WEST, A DISTANCE OF 40.17 FEET;  
THENCE NORTH 19°52'45" WEST, A DISTANCE OF 29.06 FEET;  
THENCE NORTH 32°33'41" WEST, A DISTANCE OF 46.08 FEET;  
THENCE NORTH 17°20'50" WEST, A DISTANCE OF 63.64 FEET;  
THENCE NORTH 10°04'53" WEST, A DISTANCE OF 44.86 FEET;  
THENCE NORTH 00°07'52" WEST, A DISTANCE OF 58.85 FEET;  
THENCE NORTH 14°38'27" WEST, A DISTANCE OF 23.58 FEET;  
THENCE NORTH 30°14'12" WEST, A DISTANCE OF 56.79 FEET;  
THENCE NORTH 21°45'07" WEST, A DISTANCE OF 32.76 FEET;  
THENCE NORTH 30°19'22" WEST, A DISTANCE OF 90.99 FEET;  
THENCE NORTH 28°04'59" WEST, A DISTANCE OF 63.70 FEET;  
THENCE NORTH 08°56'26" WEST, A DISTANCE OF 45.60 FEET;  
THENCE NORTH 00°33'56" WEST, A DISTANCE OF 65.20 FEET;  
THENCE NORTH 00°08'07" WEST, A DISTANCE OF 55.27 FEET;  
THENCE NORTH 00°44'36" WEST, A DISTANCE OF 29.16 FEET;  
THENCE NORTH 17°01'54" WEST, A DISTANCE OF 28.62 FEET;  
THENCE NORTH 21°48'52" WEST, A DISTANCE OF 36.06 FEET;  
THENCE NORTH 01°20'59" WEST, A DISTANCE OF 53.53 FEET;  
THENCE NORTH 17°18'25" EAST, A DISTANCE OF 83.18 FEET;  
THENCE NORTH 16°30'13" EAST, A DISTANCE OF 34.31 FEET;  
THENCE NORTH 02°51'41" EAST, A DISTANCE OF 63.32 FEET;  
THENCE NORTH 11°00'02" WEST, A DISTANCE OF 46.57 FEET;  
THENCE NORTH 25°44'16" WEST, A DISTANCE OF 98.47 FEET;  
THENCE NORTH 05°36'56" WEST, A DISTANCE OF 30.39 FEET;  
THENCE NORTH 36°24'16" WEST, A DISTANCE OF 52.00 FEET;  
THENCE NORTH 36°32'26" WEST, A DISTANCE OF 26.84 FEET;  
THENCE NORTH 11°53'56" WEST, A DISTANCE OF 183.27 FEET;  
THENCE NORTH 14°25'52" EAST, A DISTANCE OF 52.02 FEET;  
THENCE NORTH 29°20'26" EAST, A DISTANCE OF 62.68 FEET;  
THENCE NORTH 69°27'19" EAST, A DISTANCE OF 39.30 FEET;  
THENCE NORTH 62°30'26" EAST, A DISTANCE OF 59.69 FEET;  
THENCE NORTH 80°28'14" EAST, A DISTANCE OF 45.30 FEET;  
THENCE NORTH 88°49'59" EAST, A DISTANCE OF 49.02 FEET;  
THENCE SOUTH 76°19'15" EAST, A DISTANCE OF 95.86 FEET;

CARROLL LANGE-MANHARD

Professiona Engineers & Land Surveyors  
7442 South Teason Way, Suite 190-A Centennial, Colorado 80112 (303) 798-0500

LEGAL DESCRIPTION NO. 12

LEASE PURCHASE AGREEMENT  
SHEET 10 OF 20

EXCEPTED PARCEL CONTINUED ...

THENCE SOUTH 50°44'24" EAST, A DISTANCE OF 34.79 FEET;  
 THENCE SOUTH 24°59'26" EAST, A DISTANCE OF 37.55 FEET;  
 THENCE SOUTH 37°11'45" EAST, A DISTANCE OF 106.64 FEET;  
 THENCE SOUTH 72°24'45" EAST, A DISTANCE OF 41.23 FEET;  
 THENCE SOUTH 82°42'20" EAST, A DISTANCE OF 55.66 FEET;  
 THENCE SOUTH 72°07'20" EAST, A DISTANCE OF 98.19 FEET;  
 THENCE SOUTH 61°53'35" EAST, A DISTANCE OF 66.69 FEET;  
 THENCE SOUTH 53°49'55" EAST, A DISTANCE OF 50.01 FEET;  
 THENCE SOUTH 42°34'36" EAST, A DISTANCE OF 37.86 FEET;  
 THENCE SOUTH 34°30'47" EAST, A DISTANCE OF 28.33 FEET;  
 THENCE SOUTH 47°23'55" EAST, A DISTANCE OF 147.93 FEET;  
 THENCE SOUTH 45°48'22" EAST, A DISTANCE OF 48.35 FEET;  
 THENCE SOUTH 32°09'35" EAST, A DISTANCE OF 76.73 FEET;  
 THENCE SOUTH 41°26'43" EAST, A DISTANCE OF 48.00 FEET;  
 THENCE SOUTH 45°12'35" EAST, A DISTANCE OF 61.63 FEET;  
 THENCE SOUTH 36°20'51" EAST, A DISTANCE OF 70.53 FEET;  
 THENCE SOUTH 46°15'19" EAST, A DISTANCE OF 61.48 FEET;  
 THENCE SOUTH 53°40'48" EAST, A DISTANCE OF 62.84 FEET;  
 THENCE SOUTH 02°31'08" EAST, A DISTANCE OF 54.11 FEET;  
 THENCE SOUTH 15°16'49" EAST, A DISTANCE OF 78.97 FEET;  
 THENCE SOUTH 18°12'50" EAST, A DISTANCE OF 112.80 FEET;  
 THENCE SOUTH 12°10'47" EAST, A DISTANCE OF 100.50 FEET;  
 THENCE SOUTH 06°29'41" EAST, A DISTANCE OF 129.73 FEET;  
 THENCE SOUTH 16°49'46" WEST, A DISTANCE OF 87.50 FEET;  
 THENCE SOUTH 01°11'55" WEST, A DISTANCE OF 154.65 FEET;  
 THENCE SOUTH 18°35'11" WEST, A DISTANCE OF 43.36 FEET;  
 THENCE SOUTH 09°35'21" WEST, A DISTANCE OF 85.95 FEET;  
 THENCE SOUTH 55°07'08" WEST, A DISTANCE OF 29.42 FEET TO THE POINT OF BEGINNING;  
 CONTAINING A CALCULATED AREA OF 1,453,921 SQUARE FEET OR 33.377 ACRES, MORE OR LESS;  
 THE NET AREA OF PARCEL D AFTER EXCEPTION IS 3,394,536 SQUARE FEET OR 77.928 ACRES,  
 MORE OR LESS.

JAMES M. ROAKE, A SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.

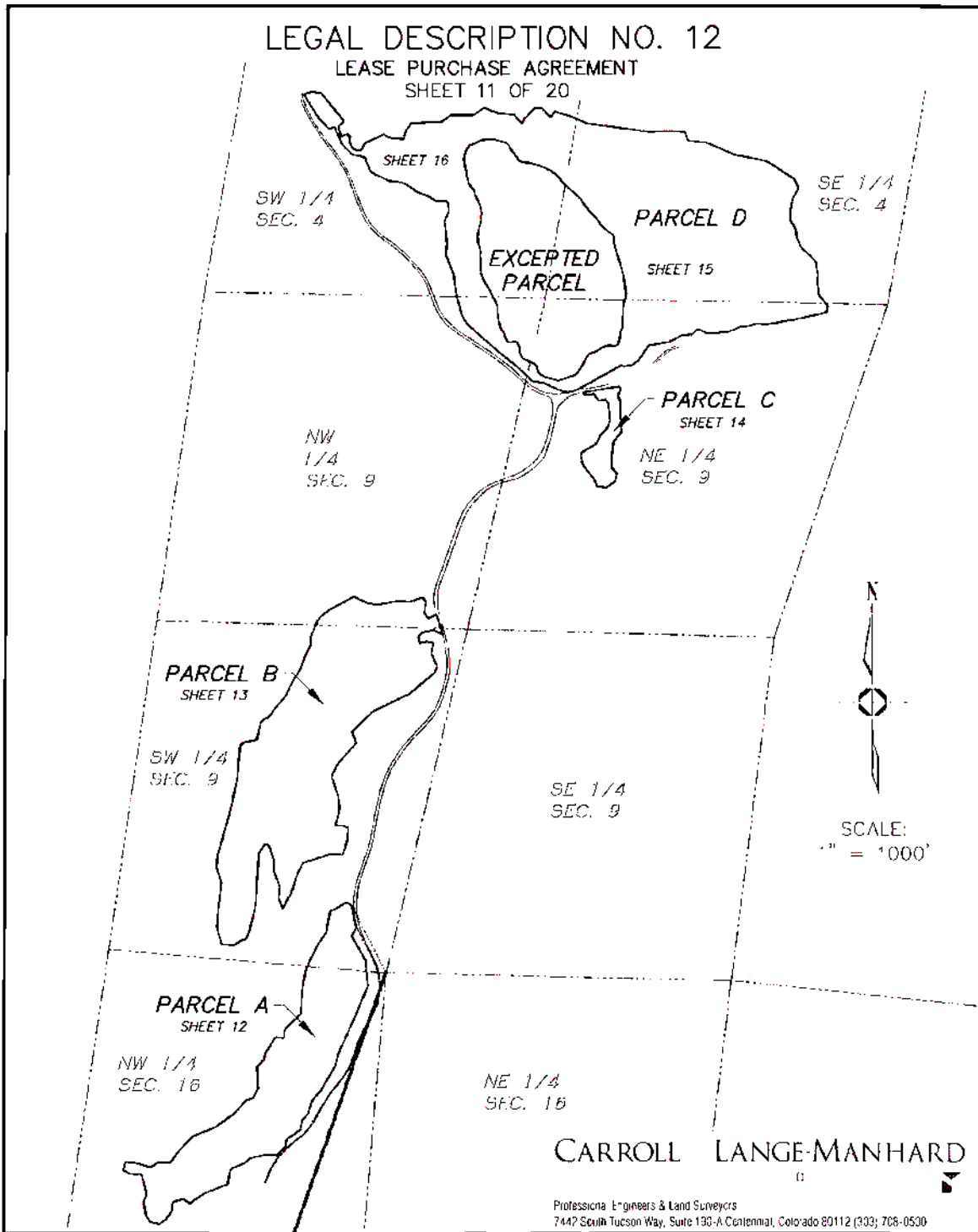
JAMES M. ROAKE, P.L.S. No. 3789  
FOR AND ON BEHALF OF  
CARROLL & LANGE, INC.



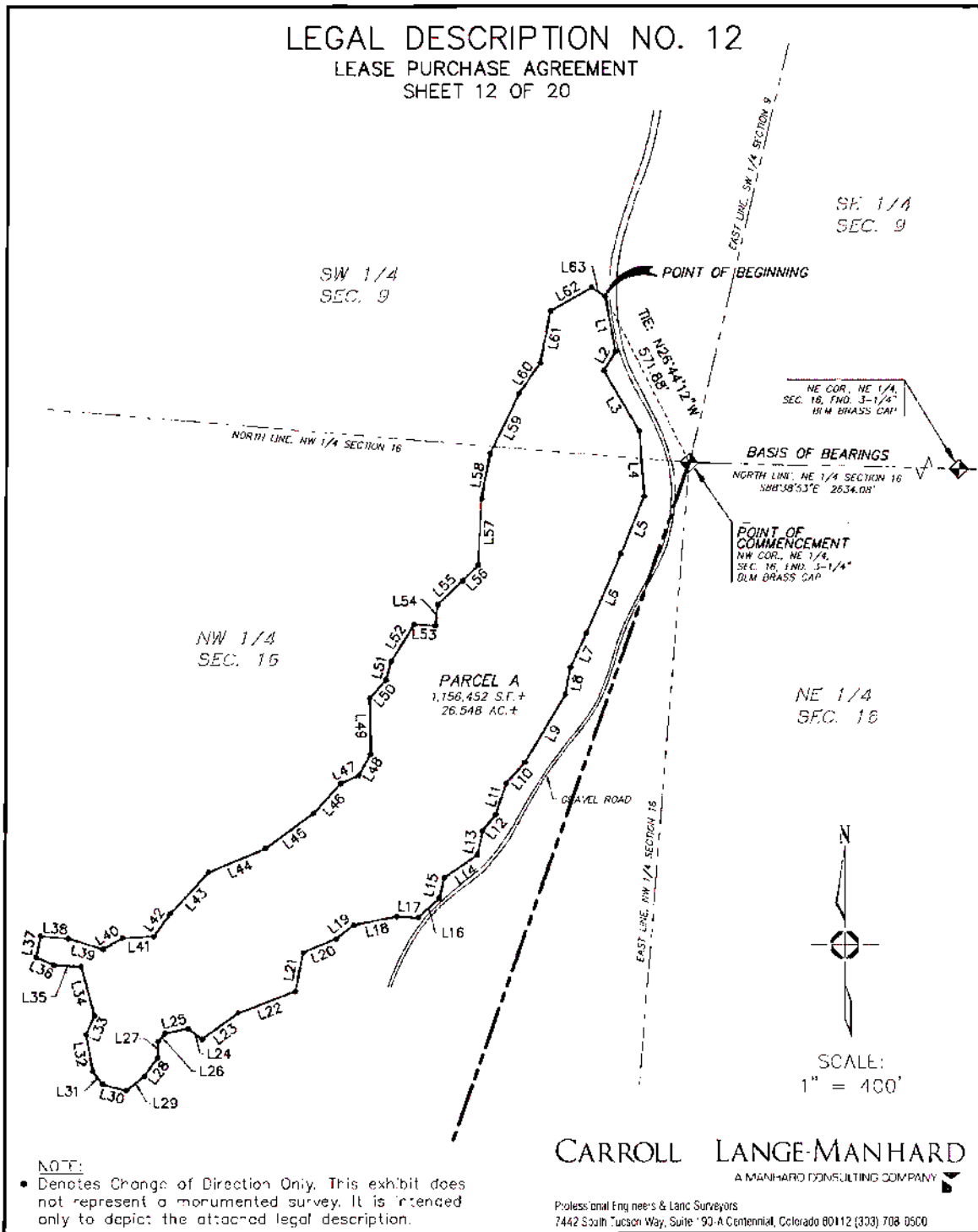
CARROLL LANGE-MANHARD

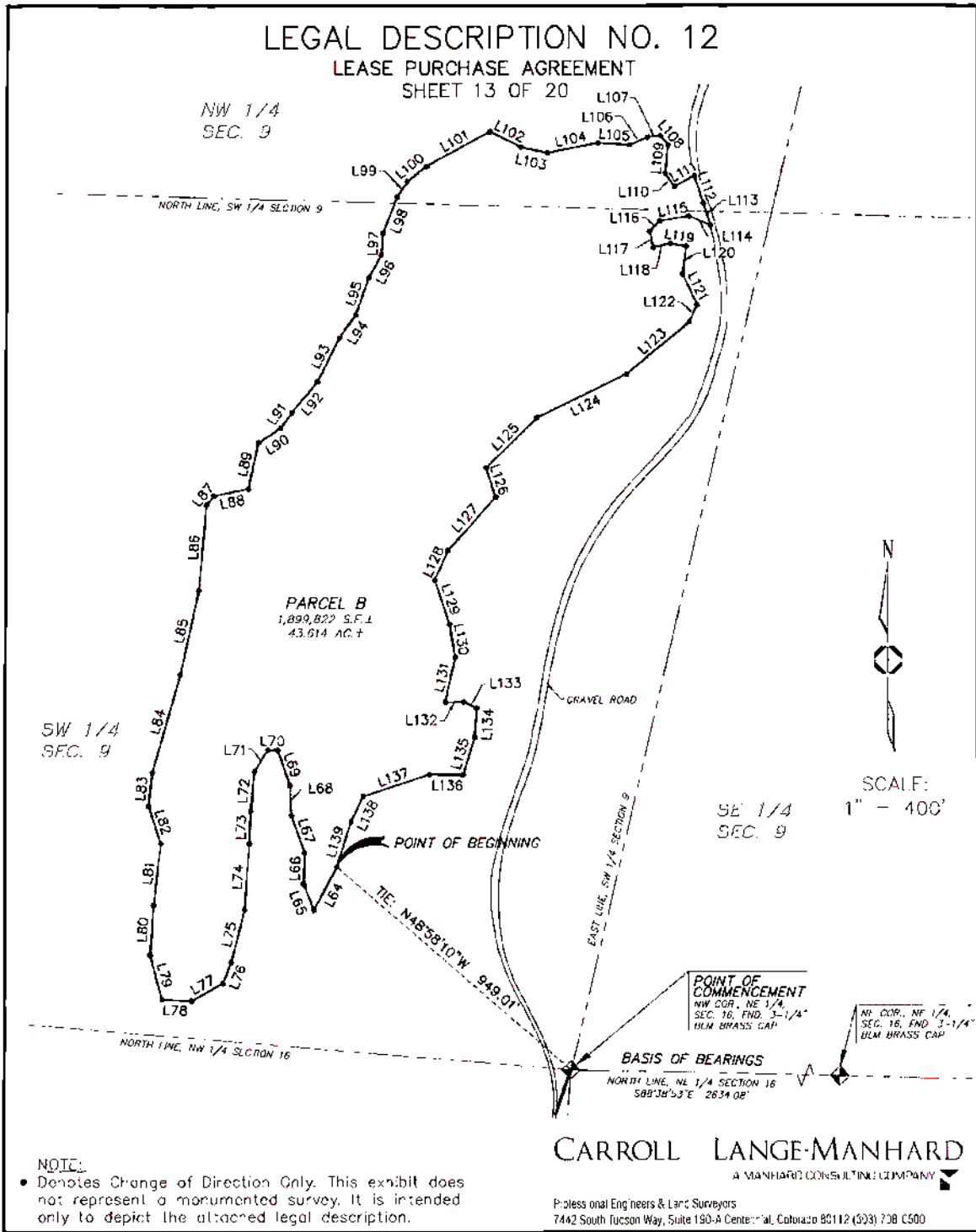
1-7-13  
DATE

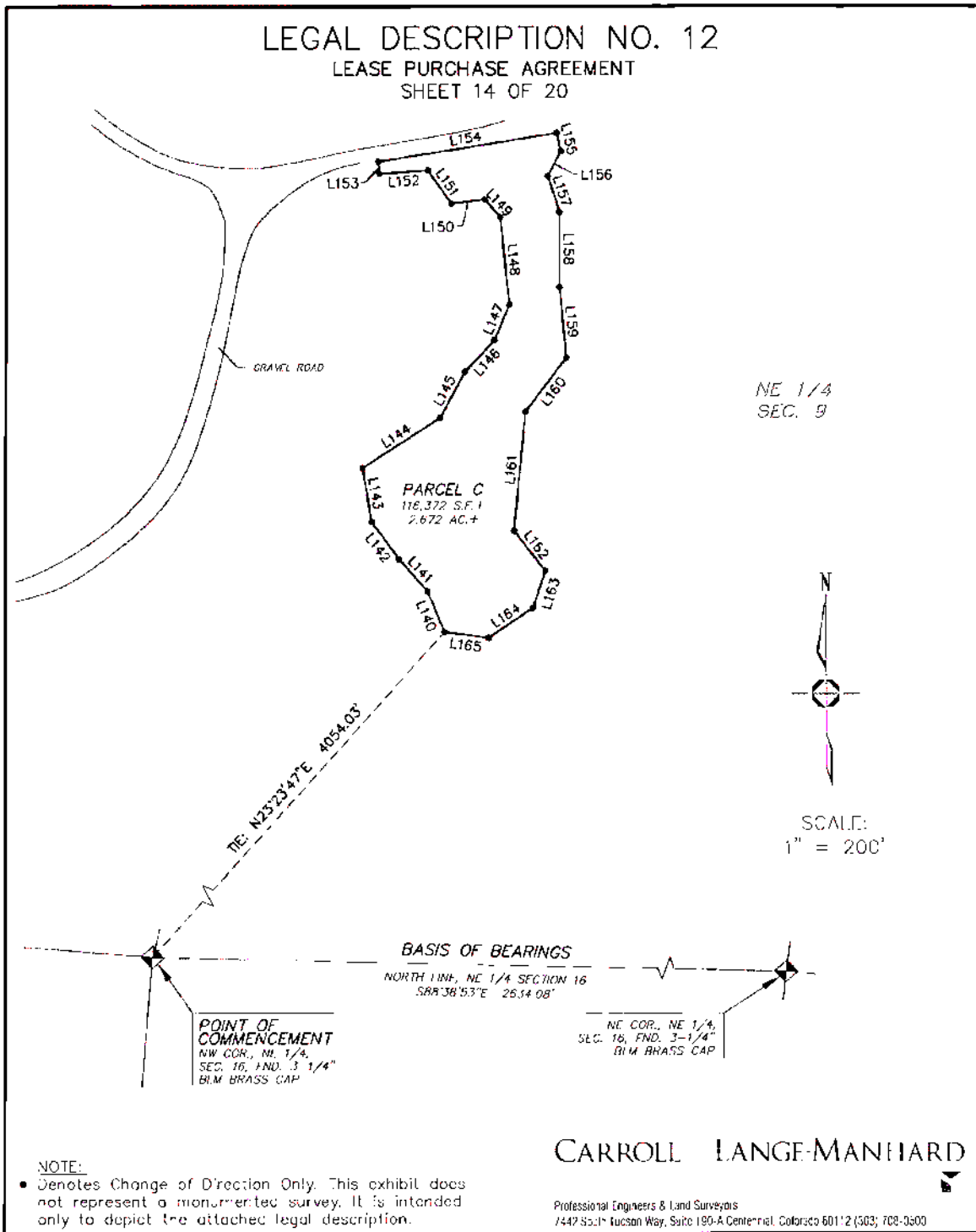
Professional Engineers & Land Surveyors  
7442 South Tucson Way, Suite 190-A Centennial, Colorado 80112 (303) 709-0500

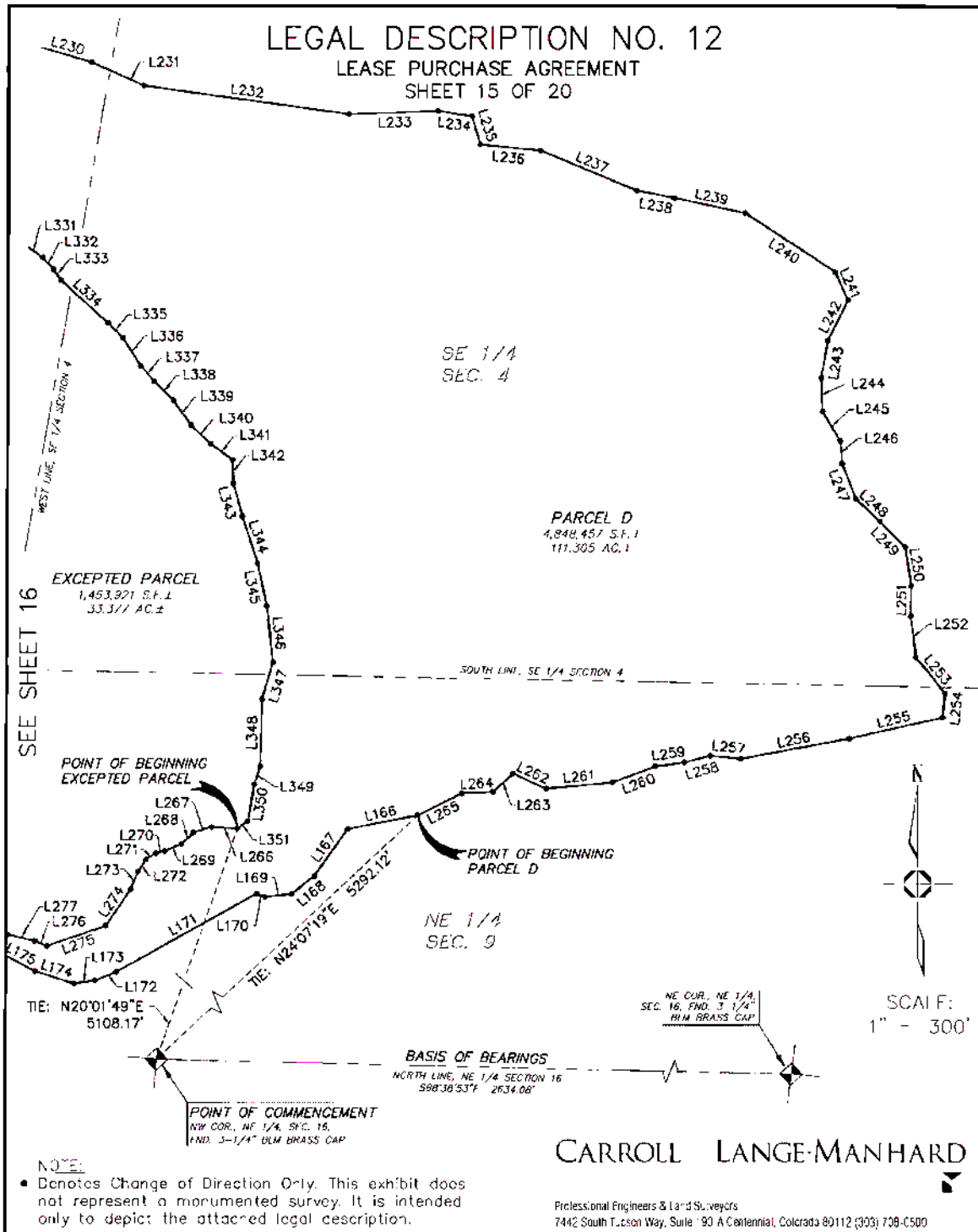


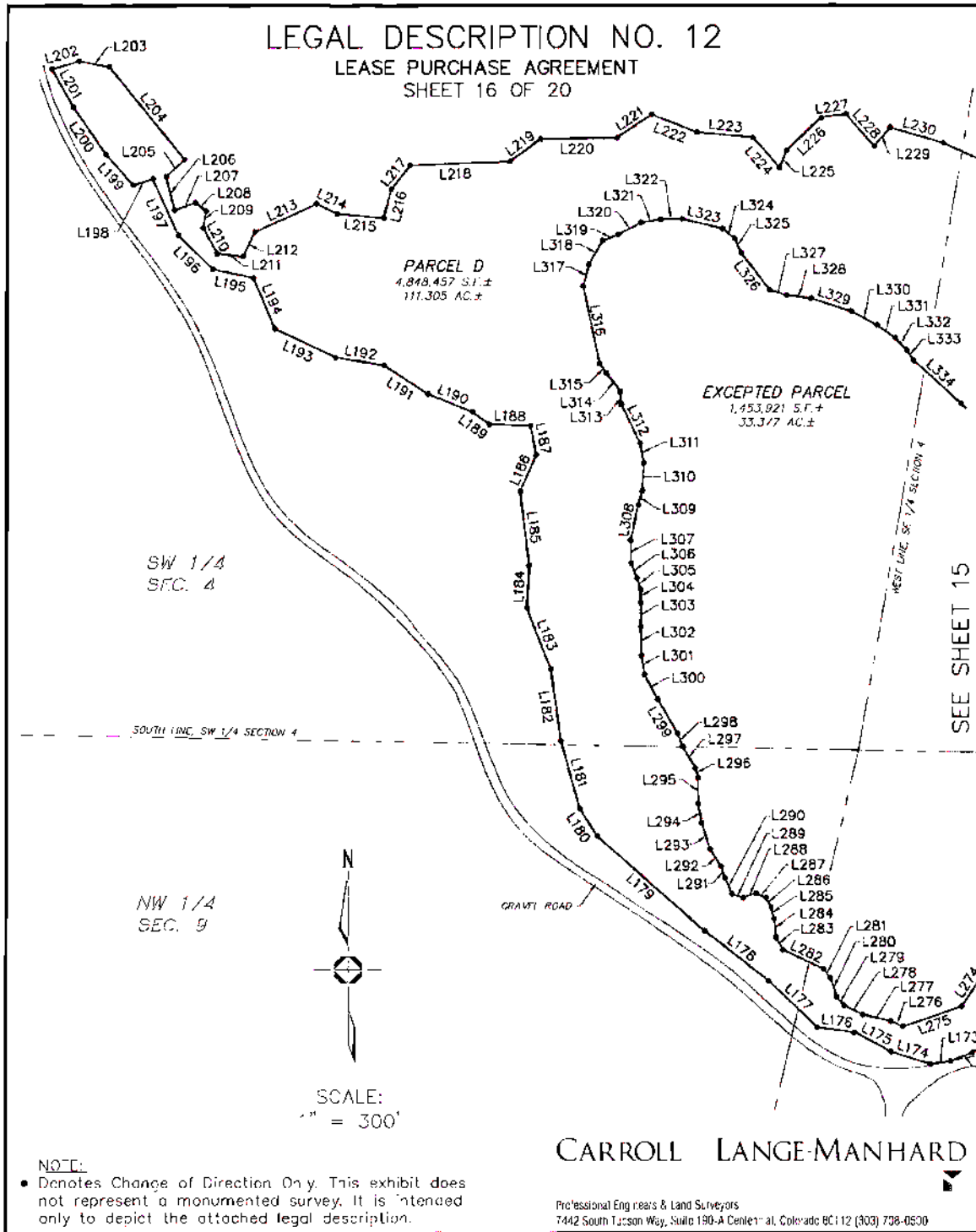
P:\Grlngre2\dwg\Surv\Finu Drawings\Exhibits\Surv\2013 - Lease Purchase\...Purchase 12\_013613 SCT











LEGAL DESCRIPTION NO. 12  
LEASE PURCHASE AGREEMENT  
SHEET 17 OF 20

| LINE TABLE - PARCEL A |         |             |
|-----------------------|---------|-------------|
| LINE                  | LENGTH  | BEARING     |
| L1                    | 171.78' | S10°49'06"E |
| L2                    | 69.43'  | S31°11'51"W |
| L3                    | 215.08' | S30°16'00"E |
| L4                    | 200.36' | S04°11'05"E |
| L5                    | 190.31' | S22°03'30"W |
| L6                    | 264.41' | S23°39'38"W |
| L7                    | 115.00' | S24°58'22"W |
| L8                    | 86.25'  | S10°51'59"W |
| L9                    | 238.89' | S30°43'41"W |
| L10                   | 87.33'  | S41°30'36"W |
| L11                   | 99.73'  | S18°22'17"W |
| L12                   | 65.32'  | S39°28'33"W |
| L13                   | 75.79'  | S11°27'17"W |
| L14                   | 123.34' | S55°40'15"W |
| L15                   | 64.58'  | S13°38'01"W |
| L16                   | 87.81'  | S47°06'02"W |
| L17                   | 65.54'  | N86°35'47"W |
| L18                   | 131.94' | S76°08'36"W |
| L19                   | 67.58'  | S51°51'24"W |
| L20                   | 109.15' | S67°51'37"W |
| L21                   | 122.16' | S11°11'42"W |
| L22                   | 188.52' | S69°13'13"W |
| L23                   | 134.87' | S54°18'35"W |
| L24                   | 52.62'  | N52°47'23"W |
| L25                   | 71.47'  | S78°05'00"W |
| L26                   | 32.64'  | S41°40'33"W |
| L27                   | 49.50'  | S00°36'21"W |
| L28                   | 71.00'  | S36°08'18"W |
| L29                   | 68.71'  | S5°04'10"W  |
| L30                   | 75.76'  | N76°12'40"W |
| L31                   | 49.72'  | N36°58'35"W |
| L32                   | 114.91' | N10°19'49"W |
| L33                   | 63.10'  | N24°05'05"E |
| L34                   | 155.34' | N1°51'40"W  |
| L35                   | 83.10'  | N87°04'56"W |
| L36                   | 60.38'  | N65°31'18"W |
| L37                   | 65.27'  | N11°40'03"E |
| L38                   | 85.07'  | S85°25'56"E |
| L39                   | 111.59' | S72°57'12"E |
| L40                   | 67.87'  | N59°41'08"E |
| L41                   | 96.77'  | N87°25'31"E |
| L42                   | 85.17'  | N35°17'22"E |
| L43                   | 173.28' | N42°20'14"E |
| L44                   | 187.78' | N67°27'08"E |
| L45                   | 183.67' | N53°50'25"E |

| LINE TABLE - PARCEL A |         |              |
|-----------------------|---------|--------------|
| LINE                  | LENGTH  | BEARING      |
| L46                   | 122.32' | N42°27'46"E  |
| L47                   | 60.50'  | N64°40'04"E  |
| L48                   | 74.31'  | N28°59'59"E  |
| L49                   | 170.85' | N01°30'12"W  |
| L50                   | 74.77'  | N41°17'24"E  |
| L51                   | 57.99'  | N1°52'08"E   |
| L52                   | 133.53' | N31°53'32"E  |
| L53                   | 65.21'  | S86°38'08"E  |
| L54                   | 64.88'  | N06°10'55"E  |
| L55                   | 106.06' | N46°20'47"E  |
| L56                   | 67.03'  | N44°41'02"E  |
| L57                   | 203.27' | N02°52'47"E  |
| L58                   | 141.19' | N1°04'47"E   |
| L59                   | 204.17' | N25°50'54"E  |
| L60                   | 113.87' | N33°56'56"E  |
| L61                   | 161.91' | N11°18'19"E  |
| L62                   | 145.06' | N59°56'47"E  |
| L63                   | 49.98'  | S56°47'03"E  |
| LINE TABLE - PARCEL B |         |              |
| LINE                  | LENGTH  | BEARING      |
| L64                   | 149.56' | S27°39'05"W  |
| L65                   | 85.31'  | N21°49'51"W  |
| L66                   | 95.73'  | N02°16'58"E  |
| L67                   | 122.30' | N1°40'54"W   |
| L68                   | 91.94'  | N02°50'12"W  |
| L69                   | 14.67'  | N1°8'59'59"W |
| L70                   | 31.02'  | N90°00'00"W  |
| L71                   | 78.31'  | S31°07'32"W  |
| L72                   | 120.20' | S05°20'45"W  |
| L73                   | 100.38' | S02°26'45"W  |
| L74                   | 204.18' | S04°02'51"W  |
| L75                   | 164.88' | S14°20'29"W  |
| L76                   | 70.29'  | S21°12'57"W  |
| L77                   | 110.15' | S60°57'36"W  |
| L78                   | 90.06'  | N87°13'39"W  |
| L79                   | 141.96' | N15°02'55"W  |
| L80                   | 152.32' | N04°12'35"E  |
| L81                   | 190.62' | N06°26'21"E  |
| L82                   | 121.68' | N17°54'52"W  |
| L83                   | 102.49' | N06°21'04"E  |
| L84                   | 313.13' | N15°56'21"E  |
| L85                   | 262.38' | N12°24'16"E  |
| L86                   | 264.05' | N04°53'46"E  |
| L87                   | 35.47'  | N39°38'10"E  |

CARROLL LANGE-MANHARD  
A MANHARD CONSULTING COMPANY

Professional Engineers & Land Surveyors  
7442 South Tucson Way, Suite 190-A Centennial, Colorado 80112 (303) 708-0500

LEGAL DESCRIPTION NO. 12  
LEASE PURCHASE AGREEMENT  
SHEET 18 OF 20

| LINE TABLE - PARCEL B |         |             |
|-----------------------|---------|-------------|
| LINE                  | LENGTH  | BEARING     |
| L88                   | 108.22' | N78°38'27"E |
| L89                   | 144.88' | N12°11'54"F |
| L90                   | 81.13'  | N57°01'32"F |
| L91                   | 58.37'  | N35°24'11"E |
| L92                   | 125.13' | N39°59'50"F |
| L93                   | 148.00' | N25°56'46"E |
| L94                   | 89.86'  | N34°59'42"E |
| L95                   | 120.37' | N18°57'13"F |
| L96                   | 79.61'  | N28°51'37"L |
| L97                   | 66.36'  | N04°37'14"E |
| L98                   | 119.34' | N20°45'26"E |
| L99                   | 57.73'  | N34°01'38"E |
| L100                  | 75.61'  | N51°45'22"E |
| L101                  | 222.24' | N61°34'35"E |
| L102                  | 106.62' | S63°32'41"F |
| L103                  | 81.80'  | S77°22'29"F |
| L104                  | 160.26' | N78°50'24"E |
| L105                  | 96.95'  | S86°07'42"E |
| L106                  | 60.50'  | N67°15'54"E |
| L107                  | 39.98'  | N82°24'59"E |
| L108                  | 36.16'  | S39°09'53"E |
| L109                  | 88.47'  | S05°49'59"W |
| L110                  | 49.09'  | S35°11'24"E |
| L111                  | 68.56'  | N62°06'13"E |
| L112                  | 66.80'  | S18°17'35"E |
| L113                  | 73.19'  | S16°56'59"F |
| L114                  | 70.79'  | N66°29'56"W |
| L115                  | 89.18'  | S8°00'13"W  |
| L116                  | 45.06'  | S44°58'52"W |
| L117                  | 51.01'  | S12°28'45"E |
| L118                  | 52.93'  | N76°57'53"L |
| L119                  | 49.58'  | S79°49'58"L |
| L120                  | 86.53'  | S07°39'34"W |
| L121                  | 104.72' | S24°56'04"E |
| L122                  | 57.42'  | S23°49'54"W |
| L123                  | 249.87' | S50°21'02"W |
| L124                  | 307.77' | S64°05'45"W |
| L125                  | 217.70' | S45°21'15"W |
| L126                  | 94.57'  | S7°45'31"E  |
| L127                  | 216.66' | S41°28'07"W |
| L128                  | 98.87'  | S24°48'52"W |
| L129                  | 144.24' | S18°35'35"E |
| L130                  | 102.56' | S09°37'22"E |
| L131                  | 140.40' | S12°47'12"W |
| L132                  | 57.18'  | N89°19'22"E |

| LINE TABLE - PARCEL B |         |             |
|-----------------------|---------|-------------|
| LINE                  | LENGTH  | BEARING     |
| L133                  | 43.57'  | S65°55'57"L |
| L134                  | 90.43'  | S04°34'27"W |
| L135                  | 120.22' | S16°53'14"W |
| L136                  | 102.69' | N89°17'49"W |
| L137                  | 214.86' | S71°44'29"W |
| L138                  | 86.57'  | S25°49'26"W |
| L139                  | 143.89' | S17°12'32"W |

| LINE TABLE - PARCEL C |         |             |
|-----------------------|---------|-------------|
| LINE                  | LENGTH  | BEARING     |
| L140                  | 67.33'  | N22°32'13"W |
| L141                  | 65.72'  | N41°45'40"W |
| L142                  | 70.46'  | N36°12'35"W |
| L143                  | 83.86'  | N09°47'35"W |
| L144                  | 142.17' | N57°14'35"E |
| L145                  | 79.96'  | N28°15'10"E |
| L146                  | 66.46'  | N42°41'22"E |
| L147                  | 58.87'  | N22°46'58"E |
| L148                  | 135.05' | N05°42'12"W |
| L149                  | 36.09'  | N41°20'11"W |
| L150                  | 51.56'  | S83°42'01"W |
| L151                  | 61.74'  | N35°04'28"W |
| L152                  | 74.59'  | S86°15'56"W |
| L153                  | 18.59'  | N05°59'49"W |
| L154                  | 277.05' | N80°55'02"F |
| L155                  | 28.80'  | S13°11'14"E |
| L156                  | 43.04'  | S27°32'14"W |
| L157                  | 57.88'  | S17°59'41"E |
| L158                  | 115.67' | S00°00'42"E |
| L159                  | 109.22' | S05°21'27"E |
| L160                  | 103.69' | S37°30'03"W |
| L161                  | 183.33' | S05°33'23"W |
| L162                  | 77.94'  | S47°55'57"E |
| L163                  | 59.33'  | S18°18'43"W |
| L164                  | 82.46'  | S56°19'33"W |
| L165                  | 68.14'  | N82°20'58"W |

| LINE TABLE - PARCEL D |         |             |
|-----------------------|---------|-------------|
| LINE                  | LENGTH  | BEARING     |
| L166                  | 163.25' | S78°47'25"W |
| L167                  | 132.49' | S35°19'21"W |
| L168                  | 66.16'  | S51°31'58"W |
| L169                  | 60.79'  | S83°14'12"W |
| L170                  | 21.21'  | N68°06'15"W |
| L171                  | 368.49' | S60°38'26"W |

CARROLL LANGE-MANHARD

Professional Engineers & Land Surveyors  
1442 South Tucson Way, Suite 190 A Centennial, Colorado 80112 (303) 799-0500

LEGAL DESCRIPTION NO. 12  
LEASE PURCHASE AGREEMENT  
SHEET 19 OF 20

| LINE TABLE – PARCEL D |         |             |
|-----------------------|---------|-------------|
| LINE                  | LENGTH  | BEARING     |
| L172                  | 53.15'  | S68°38'33"W |
| L173                  | 47.32'  | S82°51'55"W |
| L174                  | 94.40'  | N/2°12'48"W |
| L175                  | 93.32'  | N61°57'12"W |
| L176                  | 87.35'  | N82°07'24"W |
| L177                  | 154.87' | N46°25'08"W |
| L178                  | 185.44' | N51°57'32"W |
| L179                  | 328.84' | N48°24'52"W |
| L180                  | 75.47'  | N31°30'02"W |
| L181                  | 150.03' | N15°27'13"W |
| L182                  | 166.48' | N07°52'52"W |
| L183                  | 150.38' | N21°22'23"W |
| L184                  | 97.67'  | N03°34'44"E |
| L185                  | 171.56' | N06°59'38"W |
| L186                  | 91.96'  | N23°20'48"E |
| L187                  | 68.56'  | N1°13'40"W  |
| L188                  | 94.29'  | N87°51'51"W |
| L189                  | 48.62'  | N53°30'47"W |
| L190                  | 110.80' | N68°08'50"W |
| L191                  | 120.56' | N56°44'29"W |
| L192                  | 111.84' | N80°58'26"W |
| L193                  | 155.45' | N64°44'06"W |
| L194                  | 127.41' | N22°53'02"W |
| L195                  | 94.54'  | N77°51'20"W |
| L196                  | 111.50' | N45°39'52"W |
| L197                  | 142.31' | N24°18'34"W |
| L198                  | 47.42'  | S72°51'35"W |
| L199                  | 95.69'  | N42°05'34"W |
| L200                  | 133.02' | N34°41'33"W |
| L201                  | 99.21'  | N29°21'22"W |
| L202                  | 65.16'  | N73°48'33"E |
| L203                  | 71.29'  | S79°13'24"E |
| L204                  | 274.27' | S39°13'10"E |
| L205                  | 57.64'  | S15°58'23"W |
| L206                  | 80.36'  | S14°19'09"E |
| L207                  | 51.23'  | N70°21'39"E |
| L208                  | 30.29'  | S51°56'54"E |
| L209                  | 39.78'  | S28°37'05"W |
| L210                  | 67.19'  | S28°14'50"E |
| L211                  | 59.79'  | S83°51'03"E |
| L212                  | 62.15'  | N25°27'50"E |
| L213                  | 157.00' | N65°27'49"E |
| L214                  | 52.97'  | S64°12'58"E |
| L215                  | 106.79' | S84°40'45"E |
| L216                  | 68.01'  | N13°32'50"E |

| LINE TABLE – PARCEL D |         |             |
|-----------------------|---------|-------------|
| LINE                  | LENGTH  | BEARING     |
| L217                  | 71.32'  | N38°43'32"E |
| L218                  | 230.16' | N87°55'13"E |
| L219                  | 87.28'  | N53°24'51"E |
| L220                  | 174.38' | N89°21'10"E |
| L221                  | 96.73'  | N56°08'18"E |
| L222                  | 112.66' | S68°32'34"E |
| L223                  | 127.59' | S84°45'59"E |
| L224                  | 92.74'  | S41°13'30"E |
| L225                  | 42.81'  | N22°52'01"E |
| L226                  | 109.61' | N46°13'17"E |
| L227                  | 57.35'  | N82°04'23"E |
| L228                  | 98.06'  | S41°46'28"E |
| L229                  | 55.60'  | N40°23'14"E |
| L230                  | 125.66' | S75°39'23"E |
| L231                  | 131.12' | S65°06'13"E |
| L232                  | 477.61' | S82°07'57"E |
| L233                  | 204.65' | N88°01'42"E |
| L234                  | 79.32'  | S81°22'57"E |
| L235                  | 67.68'  | S16°33'23"E |
| L236                  | 140.37' | S84°20'44"E |
| L237                  | 240.45' | S67°12'01"E |
| L238                  | 85.94'  | S79°00'59"E |
| L239                  | 166.58' | S77°54'11"E |
| L240                  | 246.30' | S58°31'21"E |
| L241                  | 71.45'  | S24°28'40"E |
| L242                  | 104.32' | S26°24'33"W |
| L243                  | 86.84'  | S09°53'10"W |
| L244                  | 77.68'  | S02°17'26"E |
| L245                  | 79.32'  | S32°50'13"E |
| L246                  | 51.55'  | S04°21'28"E |
| L247                  | 87.25'  | S21°40'55"E |
| L248                  | 75.80'  | S47°35'38"E |
| L249                  | 81.46'  | S43°58'16"E |
| L250                  | 89.85'  | S08°55'30"E |
| L251                  | 69.81'  | S00°52'53"W |
| L252                  | 96.04'  | S07°26'20"E |
| L253                  | 105.67' | S39°04'15"E |
| L254                  | 55.88'  | S08°57'32"W |
| L255                  | 218.29' | S77°12'11"W |
| L256                  | 252.78' | S79°15'40"W |
| L257                  | 70.32'  | N63°52'38"W |
| L258                  | 61.35'  | S75°32'07"W |
| L259                  | 87.60'  | S82°10'21"W |
| L260                  | 104.46' | S69°19'31"W |
| L261                  | 151.45' | S84°49'41"W |

CARROLL LANGE-MANHARD  
A MANHARD CONSULTING COMPANY

Professional Engineers & Land Surveyors  
7442 South Tucson Way, Suite 130 A Centennial, Colorado 80112 (303) 708-0600

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| DISTRICT COURT, GRAND COUNTY, COLORADO<br>307 Moffat Avenue<br>Hot Sulphur Springs, CO 80451                                                                                                                                                                                                                                                                                                                                                                                   |                                        |
| <b>Plaintiff:</b> GRANBY RANCH METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado,<br><br>v.<br><br><b>Defendants:</b> HEADWATERS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado; GRAY JAY VENTURES, LLC.; REDWOOD CAPITAL FINANCE CO., LLC, GRANBY PRENTICE, LLC; and GR TERRA, LLC.                                                                            |                                        |
| <i>Attorneys for Headwaters Metropolitan District and GR Terra LLC:</i><br>Jamie H. Steiner, #49304<br>JoAnn T. Sandifer ( <i>Admitted Pro Hac Vice</i> )<br>Husch Blackwell LLP<br>1801 Wewatta St., Suite 1000<br>Denver, CO 80202<br>Phone: 303-749-7200<br>Fax: 303-749-7272<br>E-mail: <a href="mailto:jamie.steiner@huschblackwell.com">jamie.steiner@huschblackwell.com</a><br><a href="mailto:joann.sandifer@huschblackwell.com">joann.sandifer@huschblackwell.com</a> | <b>▲ COURT USE ONLY ▲</b>              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Case No. 2021CV30008<br><br>Division 1 |
| <b>AFFIDAVIT OF ROXANNE HOOVER</b>                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                        |

I, Roxanne Hoover, having been duly sworn and upon my oath, and competent to testify herein state that:

1. I am over 18 years of age and competent to testify as to the matters contained herein. I have personal knowledge of the facts set forth herein.
2. To date, Headwaters has incurred at least **\$860,949.83** in debt for legal fees and costs paid on its behalf to its attorneys related to defending Headwaters and prosecuting its

counterclaims in the above captioned case, Case No. 2021CV30008. I anticipate the legal fees and costs will continue to accrue for the remainder of this lawsuit and will continue to be paid by GRCO, LLC, on Headwaters' behalf, pursuant to the Funding Agreement, described in paragraph 4 below.

3. The fees and costs paid on its behalf to date and requested as damages in this litigation are summarized in the document attached hereto as **Exhibit A**. These fees and costs relate to the fees incurred on Headwaters' behalf.

4. GRCO has paid Headwaters' legal fees and costs to date, pursuant to the terms of GRCO and Headwater's Funding Agreement. The Funding Agreement is attached here as **Exhibit B**.

5. As is explained more fully in the Funding Agreement, Headwaters does not presently have (and has not had during the pendency of this Lawsuit) financial resources to provide funding for payment of costs necessary for the furtherance of its function in maintaining public improvements and services in accordance with its Service Plan and the Special District Act.

6. Pursuant to section 1(a) of the Funding Agreement, GRCO paid the attorneys' fees and costs for Headwaters related to this pending litigation, and they constitute an obligation of Headwaters under the terms of the Funding Agreement.

FURTHER AFFIANT SAYETH NOT.

STATE OF COLORADO )  
 ) SS.  
GRAND COUNTY )

COMES NOW Roxanne Hoover and states that the foregoing Affidavit is true to the best of his knowledge, information and belief.

  
Roxanne Hoover

On this \_\_\_ day of July \_\_, 2024, before me personally appeared Roxanne Hoover, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that she executed the same as her free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

  
Notary Public

My Commission Expires:

4/30/25

MEGHAN BOLTON  
Notary Public  
State of Colorado  
Notary ID # 20094007412  
My Commission Expires 04-30-2025

**Summary of Paid Invoices for Husch Blackwell Professional Services Rendered and Costs Advanced  
on behalf of Headwaters' Metropolitan District Through April 30, 2024**

HB Reference No. 0500066- 0000139 Granby – Headwaters Litigation

| <b>Invoice No. / Date</b>    | <b>Total Amt. of Invoice (fees and costs)</b> | <b>Amt. Seeking in Fees</b> | <b>Amt. Seeking in Costs</b> | <b>Total Amt. Seeking in Fees and Costs</b> |
|------------------------------|-----------------------------------------------|-----------------------------|------------------------------|---------------------------------------------|
| 3142122 (March 31, 2022)     | \$56,807.34                                   | \$52,626.20                 | \$521.44                     | \$53,147.64                                 |
| 3156375 (April 29, 2022)     | \$11,203.50                                   | \$11,203.50                 | \$0.00                       | \$11,203.50                                 |
| 3169165 (May 25, 2022)       | \$5,101.60                                    | \$5,029.60                  | \$72.00                      | \$5,101.60                                  |
| 3187224 (June 30, 2022)      | \$1,075.50                                    | \$1,075.50                  | \$0.00                       | \$1,075.50                                  |
| 3199213 (July 27, 2022)      | \$3,292.60                                    | \$3,292.60                  | \$0.00                       | \$3,292.60                                  |
| 3212586 (August 23, 2022)    | \$19,707.70                                   | \$19,157.70                 | \$550.00                     | \$19,707.70                                 |
| 3229395 (September 29, 2022) | \$24,183.00                                   | \$23,335.00                 | \$275.00                     | \$23,610.00                                 |
| 3243652 (October 27, 2022)   | \$90,393.31                                   | \$88,840.55                 | \$1,225.26                   | \$90,065.81                                 |
| 3257098 (November 22, 2022)  | \$93,966.28                                   | \$91,334.30                 | \$835.48                     | \$92,169.78                                 |
| 3266820 (December 12, 2022)  | \$78,751.68                                   | \$65,587.60                 | \$4,780.08                   | \$70,367.68                                 |
| 3287231 (January 30, 2023)   | \$63,600.63                                   | \$58,153.80                 | \$2,826.83                   | \$60,980.63                                 |
| 3302430 (February 28, 2023)  | \$123,189.56                                  | \$115,670.55                | \$3,041.41                   | \$118,711.96                                |
| 3319182 (March 31, 2023)     | \$108,277.38                                  | \$100,019.50                | \$3,249.33                   | \$103,268.83                                |
| 3334323 (April 30, 2023)     | \$107,707.99                                  | \$99,366.66                 | \$7,697.89                   | \$107,064.55                                |
| 3350941 (May 31, 2023)       | \$26,264.87                                   | \$19,658.50                 | \$3,698.92                   | \$23,357.42                                 |
| 3366474 (June 30, 2023)      | \$7,587.50                                    | \$3,664.75                  | \$1,167.60                   | \$4,832.35                                  |
| 3378330 (July 26, 2023)      | \$11,257.92                                   | \$2,145.00                  | \$1,020.42                   | \$3,165.42                                  |
| 3394774 (August 30, 2023)    | \$5,527.05                                    | \$2,931.50                  | \$2,381.05                   | \$5,312.55                                  |
| 3407244 (September 25, 2023) | \$23,115.95                                   | \$12,297.90                 | \$475.00                     | \$12,772.90                                 |
| 3423762 (October 26, 2023)   | \$4,394.30                                    | \$3,561.80                  | \$475.00                     | \$4,036.80                                  |
| 3432573 (November 12, 2023)  | \$7,660.60                                    | \$6,971.11                  | \$475.00                     | \$7,446.11                                  |
| 3448991 (December 12, 2023)  | \$35,900.80                                   | \$34,087.05                 | \$475.00                     | \$34,562.05                                 |
| 3469557 (January 29, 2024)   | \$3,796.45                                    | \$3,321.45                  | \$475.00                     | \$3,796.45                                  |
| 3485550 (February 29, 2024)  | \$475.00                                      | \$0.00                      | \$475.00                     | \$475.00                                    |
| 3497946 (March 21, 2024)     | \$475.00                                      | \$0.00                      | \$475.00                     | \$475.00                                    |
| 3519856 (April 30, 2024)     | \$475.00                                      | \$0.00                      | \$475.00                     | \$475.00                                    |
| 3537478 (May 31, 2024)       | \$475.00                                      | \$0.00                      | \$475.00                     | \$475.00                                    |
| <b>TOTAL:</b>                | <b>\$914,663.51</b>                           | <b>\$823,332.12</b>         | <b>\$37,617.71</b>           | <b>\$860,949.83</b>                         |

CONFIDENTIAL

**FUNDING AGREEMENT**  
**(Administrative, Operations and Maintenance)**

---

This **FUNDING AGREEMENT** (the "**Agreement**") is made and entered into as of November 15 2022, by and between **HEADWATERS METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "**District**"), and **GRCO LLC**, limited liability company ("**GRCO**"). The District and GRCO are collectively referred to herein as the "**Parties**".

**RECITALS**

WHEREAS, the District has been duly and validly organized as a quasi-municipal corporation and political subdivision of the State of Colorado, in accordance with the provisions of Article 1, Title 32, Colorado Revised Statutes (the "**Special District Act**"), with the power to provide certain public infrastructure, improvements, facilities and services (collectively, the "**Public Improvements**"), as described in the Special District Act, and as authorized in the Service Plan for the District (the "**Service Plan**"); and

WHEREAS, in accordance with the Special District Act and the Service Plan, the District has the power to manage, control, and supervise the affairs of the District, including the acquisition, financing, construction, and installation of the Public Improvements, and to perform all other necessary and appropriate functions in furtherance of the Special District Act and Service Plan; and

WHEREAS, the District was organized to coordinate the acquisition, financing, construction, and installation of the Public Improvements in connection with development within the boundaries of the Granby Ranch development (the "**Project**"); and

WHEREAS, the District has incurred and will incur costs in furtherance of the District's permitted purposes, including but not limited to: costs in the nature of general operating, administrative and maintenance costs, such as attorney, engineering, architectural, surveying, district management, accounting, auditing, insurance, and other costs necessary to continued good standing under applicable law (the "**Costs**"); and

WHEREAS, the District does not presently have financial resources to provide funding for payment of Costs that are projected to be incurred prior to the anticipated availability of funds; and

WHEREAS, GRCO owns real property within the District and benefits from its operations; and

WHEREAS, GRCO is willing to loan funds to the District, from time to time, in accordance with the terms set forth in this Agreement; and

WHEREAS, pursuant to § 32-1-1001(1)(d)(I), C.R.S., the District is permitted to enter into contracts and agreements affecting the affairs of the District; and



WHEREAS, the Board of Directors of the District (the "**Board**") has determined that the best interests of the District will be served by entering into this Agreement for the funding of the Costs; and

WHEREAS, the Board has authorized its officers to execute this Agreement and to take all other actions necessary and desirable to effectuate the purposes of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises expressed herein, the Parties hereby agree as follows:

### COVENANTS AND AGREEMENTS

1. Loan Amount and Term. GRCO agrees to loan to the District one or more sums of money, not to exceed \$150,000 per annum (the "**Annual Loan Cap**") (as the same may be subsequently increased by agreement of the Parties and execution of a supplement or addendum to this Agreement or pursuant to the terms hereof) (the "**Maximum Loan Amount**"). These funds shall be loaned to the District in one or a series of installments and shall be available to the District through December 31, 2023 (the "**Loan Obligation Termination Date**"). Thereafter, the Loan Obligation Termination Date shall be automatically extended for additional one (1) year terms unless GRCO provides written notice to the District of termination at least thirty (30) days prior to December 31st of each year. Upon each automatic one (1) year extension of the Loan Obligation Termination Date, GRCO agrees to loan the District one or more sums of money up to the Annual Loan Cap, and the Maximum Loan Amount shall be increased by the Annual Loan Cap. All amounts loaned to the District pursuant to this Section 1 shall be referred to herein collectively as the "**Loan**".

a. In addition to repayment of the Loan, and in consideration for GRCO making such Loan, the District also agrees to pay GRCO an amount equal to the amount GRCO or its affiliates has paid and may in the future pay for legal fees and associated costs and expenses paid on behalf of the District in that certain pending litigation styled Granby Ranch Metropolitan District v. Headwaters Metropolitan District, et al., Case No. 2121CV30008. The Loan and the amounts due to GRCO pursuant this Section 1(a) shall be collectively referred to as the "**Repayment Amount**".

b. The District agrees to pay the Repayment Amount to GRCO no later than 180 days following the termination of this Agreement pursuant to Section 5 hereof.

2. Use of Funds. The District agrees that it shall apply all funds provided by GRCO under this Agreement in accordance with its 2022 budget (the "**Funding Budget**") adopted by the District, which Funding Budget shall authorize use of the funding provided by GRCO to the District to pay Costs of the District as set forth from time to time in the Funding Budget, and pursuant to any contracts entered into with third parties to perform functions for the District under such adopted budget. GRCO will be provided a monthly accounting of the expenditures made by the District, within fifteen days after the end of each month, and otherwise may request specific information concerning such expenditures at reasonable times and upon reasonable notice to the District.

3. Manner for Requesting Funding. The District shall from time to time determine the amount of funding required to fund budgeted expenditures of the District, but such determination shall be made not more often than monthly. Each determination shall be made based upon the expenditures contained in the adopted budget for the District and upon the rate of expenditures estimated for the next succeeding month and such other factors as the Board and District accountant may consider relevant to the projection of future financial needs. Not less than fifteen (15) days before the beginning of each month, the District shall notify GRCO of the requested funding for the next month, and GRCO shall deposit such amount with the District on or before the beginning of that month, provided that GRCO shall have no obligation to advance amounts in excess of the Funding Budget. The Parties may vary from this schedule upon mutual agreement.

4. No Debt. This Agreement shall not constitute a debt or indebtedness of the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple-fiscal-year financial obligation.

5. Termination. GRCO's obligation to provide funding to the District in accordance with this Agreement shall terminate on the Termination Date, except to the extent advance requests have been made to GRCO that are pending by the Termination Date, in which case said pending request(s) will be honored notwithstanding the passage of the Termination Date. Notwithstanding the foregoing, either party may terminate this Agreement for any reason upon ten days written notice to the other party and GRCO's obligation to provide funding to the District shall terminate at the end of such ten days except to the extent advance requests have been made to GRCO that are pending by such date; in which case said pending requests will be honored.

6. Time Is of the Essence. Time is of the essence hereof; provided, however, that if the last day permitted or otherwise determined for the performance of any required act under this Agreement falls on a Saturday, Sunday or legal holiday, the time for performance shall be extended to the next succeeding business day, unless otherwise expressly stated.

7. Notices and Place for Payments. All notices, demands and communications (collectively, "Notices") under this Agreement shall be delivered or sent, addressed to the address of the intended recipient set forth below or such other address as a party may designate by notice pursuant to this Section, by: (a) first class, registered or certified mail, postage prepaid, return receipt requested, (b) nationally recognized overnight carrier, or (c) sent by confirmed facsimile transmission or email. Notices shall be deemed given either one business day after delivery to the overnight carrier, three days after being mailed as provided in clause (a) or (b) above, or upon confirmed delivery as provided in clause (c) above.

To the District:           Headwaters Metropolitan District  
                                  c/o CRS of Colorado  
                                  7995 East Prentice Avenue, Suite 103E  
                                  Greenwood Village, CO 80111

With a copy to:           WHITE BEAR ANKELE TANAKA & WALDRON  
                                  2154 East Commons Avenue, Suite 2000  
                                  Centennial, CO 80122

Attn: Blair M. Dickhoner  
bdickhoner@wbapc.com  
(303) 858-1800 (phone)

To GRCO: 1701 Macklind Avenue  
St. Louis, MO 63110

With a copy to: Husch Blackwell LLP  
David G. Richardson  
190 Carondelet Plaza, Suite 600  
St. Louis, MO 63105

8. Amendments. This Agreement may only be amended or modified by a writing executed by the Parties.

9. Severability. If any portion of this Agreement 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 Agreement, 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 Agreement a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

10. Governing Law/Venue. This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located.

11. Assignment. This Agreement may not be assigned by either party without the written consent of the other party. Such consent to be granted or withheld at such party's sole and absolute discretion.

12. Authority. By execution hereof, the District and GRCO represent and warrant that their respective representatives signing hereunder have full power and authority to execute this Agreement and to bind the respective party to the terms hereof.

13. Entire Agreement. This Agreement constitutes and represents the entire, integrated agreement between the Parties with respect to the matters set forth herein, and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to those matters, whether written or oral. This Agreement shall become effective upon the date set forth above.

14. Inurement. The terms of this Agreement shall be binding upon, and inure to the benefit of the Parties as well as their respective successors and permitted assigns.

15. Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the District, its respective officials, employees, contractors, or agents, or any other person acting on behalf of the District and, in particular, governmental immunity afforded or available to the District pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S.

16. Negotiated Provisions. This Agreement shall not be construed more strictly against one party than against another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being acknowledged that each party has contributed substantially and materially to the preparation of this Agreement.

17. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the Parties any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Parties shall be for the sole and exclusive benefit of the Parties, it being expressly understood and agreed to by the Parties that there are no third party beneficiaries to this Agreement.

18. Counterpart Execution. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto.

*[Signature Page Follows.]*

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first above written. By the signature of its representative below, each party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

**DISTRICT:**  
**HEADWATERS METROPOLITAN**  
**DISTRICT**, a quasi-municipal corporation and  
political subdivision of the State of Colorado

By:

  
\_\_\_\_\_  
Officer of the District

Attest:

By:

Secretary

DocuSigned by:

Sue Blair

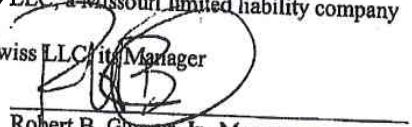
355865D820004EC...

**GRCO:**

GRCO LLC, a Missouri limited liability company

By: Swiss LLC's Manager

By:

  
\_\_\_\_\_  
Robert B. Glamer, Jr., Manager

HWMD 0008476

Exhibit B

**EXHIBIT O**

1 DISTRICT COURT, GRAND COUNTY, STATE OF COLORADO

2 Case Number: 2021CV030008

3 -----DATE FILED: July 11, 2024 8:04 PM  
4 FILING ID: E0C6058DF6AB2  
CASE NUMBER: 2021CV30008

5 30(b)(6) DEPOSITION OF:

6 ROXANNE HOOVER - 03/01/2023

7 -----

8 Plaintiff:

9 GRANBY RANCH METROPOLITAN  
DISTRICT, a quasi-municipal corporation and  
political subdivision of the State of Colorado,

10 v.

11 Defendants:

12 HEADWATERS METROPOLITAN  
DISTRICT, a quasi-municipal corporation and  
13 political subdivision of the State of Colorado;  
GRAY JAY VENTURES, LLC.; REDWOOD CAPITAL FINANCE  
14 CO., LLC, GRANBY PRENTICE, LLC; and GR TERRA  
LLC.

15 -----

16  
17 The deposition of ROXANNE HOOVER was  
18 taken by the Plaintiff on March 1, 2023 at Granby  
19 Ranch, 1000 Village Road, Granby, Colorado,  
20 commencing at the hour of 9:21 a.m., before ROSIE  
21 STAHL, Shorthand Reporter and Notary Public within  
22 and for the State of Colorado.

23

24

25

## 1 A P P E A R A N C E S

2  
3 For the Plaintiff:4 BRIAN K. MATISE, ESQ.  
5 LISA MARKS, ESQ. (Appearing Remotely)  
6 BURG SIMPSON ELDRIDGE  
7 HERSH & JARDINE, P.C.  
8 40 Inverness Drive East  
9 Englewood, CO 80112  
10 Ph. 303-792-5595  
11 Bmatise@burgsimpson.com12  
13 For the Defendants Headwaters Metropolitan District  
14 and GR Terra LLC:15 JOANN T. SANDIFER, ESQ.  
16 HUSCH BLACKWELL, LLP  
17 1801 Wewatta St., Suite 1000  
18 Denver, CO 80202  
19 Ph. 303-749-7200  
20 Joann.sandifer@huschblackwell.com21  
22 DAVID G. RICHARDSON, ESQ.  
23 HUSCH BLACKWELL, LLP  
24 190 Carondelet Plaza, Suite 600  
25 St. Louis, MO 63105  
Ph. 314-480-1718  
David.richardson@huschblackwell.com

1 ROXANNE HOOVER,  
2 Being first duly sworn, was examined and testified  
3 as follows:

4 EXAMINATION

5 BY MR. MATISE:

6 Q Good morning. Could you please  
7 state your full name for the record?

8 A Roxanne Fairchild Hoover.

9 Q Ms. Hoover, what is your address?

10 A 27 -- mailing or physical?

11 Q Oh, physical please.

12 A 2759 Mill Creek Rd, Dumont, Colorado  
13 80436.

14 Q How long have you lived at that  
15 address?

16 A Since 2014.

17 Q Okay. Do you own any property in  
18 Granby Ranch Metropolitan District?

19 A I have an option in the Headwaters  
20 District, option to purchase.

21 Q Okay. Is that also -- okay. So  
22 that's in the Headwaters District but not the  
23 Granby Ranch Metro District; is that correct?

24 A Correct.

25 Q But it's in the Granby Ranch

1 development; is that fair to say?

2 A Yeah.

3 Q Okay. Okay. And Ms. Hoover, I'm  
4 Brian Matise. I'm the attorney that's representing  
5 the plaintiff, Granby Ranch Metropolitan District.

6 How familiar are you with the  
7 litigation pending in Grand County titled Granby  
8 Ranch Metropolitan District versus Headwaters  
9 Metropolitan District?

10 A I'm somewhat familiar.

11 Q What's your understanding of the  
12 nature of the case?

13 A That there is a dispute about  
14 ownership of -- about the lease purchase agreement  
15 and, you know, a lot of details having to do with  
16 that.

17 Q Okay. Do you understand that you  
18 have been designated as what we in law call a  
19 30(b)(6) representative or a party representative  
20 to offer testimony today on behalf of Headwaters  
21 Metropolitan District?

22 A Yes.

23 Q Okay. Do you understand that the  
24 testimony that you give today on the topics that we  
25 have listed will bind Headwaters Metropolitan

1 in which its costs or damages would be paid by  
2 another party?

3 A I'm not aware of any.

4 Q Are you aware of any agreement with  
5 any of Mr. Glarner's entities such as GR Terra or  
6 GRCO or Granby Ranch Amenities Holdings to pay any  
7 portion of Headwaters Metropolitan District costs  
8 or legal fees?

9 A I'm not aware of any.

10 MR. MATISE: Okay. That's all the  
11 questions I have thank you.

12 MS. SANDIFER: I just have two or  
13 three. We're going to follow up on that last  
14 question, because I know this legal stuff gets  
15 confusing.

16 EXAMINATION

17 By MS. SANDIFER:

18 Q Can you hand me the pile of  
19 exhibits. So you were asked about legal fees to  
20 Headwaters. And I'll give you these two different  
21 documents. For the record, 194 is the list of  
22 Headwaters's invoices that you said had been paid  
23 and 193 is the funding agreement between Headwaters  
24 and GRCO.

25 To your knowledge has Headwaters

1     itself actually written the checks for the legal  
2     invoices that are shown there on Exhibit 194?

3             A       No.

4             Q       Okay. And is some other entity  
5     paying these on Headwaters's behalf at this time?

6             A       Yeah, I believe GRCO.

7             Q       Is that pursuant to the terms of the  
8     funding agreement?

9             A       Yes.

10            Q       Okay. Okay. I also want to hand  
11    you -- this is the retainer agreement, Exhibit 182  
12    retainer agreement with Husch Blackwell. I know  
13    there is also a lot of legalese in this document.  
14    You were asked by Mr. Matise whether Headwaters was  
15    advised that Husch Blackwell was also representing  
16    GR Terra and whether there was conflict waiver is  
17    what it's called in the legal term.

18                    So I just wanted to point out some  
19    language and ask you if it changes your -- you said  
20    you weren't aware of anything, so let me see. If  
21    you could just look at that paragraph.

22                    MR. MATISE: Just for the record,  
23    could you describe the paragraph that you are  
24    pointing to?

25                    THE DEPONENT: It's the second

1 THE DEPONENT: I refer to legal. I  
2 don't know.

3 BY MR. MATISE:

4 Q I guess I'm trying to understand. I  
5 believe your testimony has been pretty clear that  
6 prior to October 15, 2021, there was no indication  
7 given to the landlord or the public or anyone else  
8 that Headwaters was not going to appropriate money  
9 for the LPA in 2021. It wasn't until that budget  
10 came out in October, right?

11 A That's my understanding.

12 Q Okay. So I guess the confusion I'm  
13 having is that how would that October 15, 2021,  
14 decision constitute a retroactive election back to  
15 January 1st of -- that they weren't planning to  
16 appropriate money?

17 A Again, the foreclosure had happened  
18 at the end of fall of 2020. I can't speak to why  
19 the board didn't meet for all of those months. I  
20 don't know. I can only imagine that there was a  
21 lot of uncertainty and -- I don't know, but when  
22 they finally did meet, you know, that's when it  
23 occurred. So I'm not disputing it was late.

24 Q Okay. Okay. You were also asked  
25 questions about the legal fees to Headwaters

1 counsel Husch Blackwell, and I believe you said  
2 that you understood that GRCO was paying the legal  
3 fees that Headwaters was obligated to pay; is that  
4 correct?

5 A Yes. In the funding agreement,  
6 there is an agreement here that GRCO -- well, let  
7 me find it. So as part of the -- as part of the  
8 funding agreement, GRCO is agreeing to help fund  
9 Headwaters.

10 Q That's generally help fund  
11 Headwaters, not just specific to legal fees,  
12 correct?

13 A But it doesn't state not legal fees.

14 Q Okay. I understand that. So for  
15 example, does Headwaters management company send  
16 their invoices to GRCO to pay?

17 A I don't know where these invoices  
18 are going at this time. I can't -- I don't know.

19 Q Okay. Is there any review that is  
20 done by Headwaters prior to GRCO paying Headwaters'  
21 legal fees?

22 A There has not been yet.

23 MR. MATISE: Okay. Okay. I have no  
24 further questions. Thank you.

25 EXAMINATION

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

REPORTER CERTIFICATE

I, ROSANNE M. STAHL, Shorthand Reporter and Notary Public within and for the State of Colorado, do hereby certify that previous to the commencement of the testimony, the said ROXANNE HOOVER was sworn by me to testify to the truth in relation to the matters in controversy between the said parties so far as she should be interrogated concerning the same; that the said deposition was taken in stenograph by me at the time and place aforesaid and was thereafter reduced to typewritten form; that the foregoing is a true and correct transcript of my stenographic notes thereof; and that Deposition Exhibits 183-188, 188A, 189-195 were marked and used in the interrogation.

I further certify that I am not employed by, related to, nor counsel for any of the parties herein, nor otherwise interested in the event of this action.

IN WITNESS WHEREOF, I have affixed my signature and seal this 15th day of March, 2023.



\_\_\_\_\_  
Rosanne M. Stahl  
Notary Public  
P.O. Box 464  
Kremmling, CO 80459

MY COMMISSION EXPIRES: 04/13/26

|                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|
| DISTRICT COURT, GRAND COUNTY, COLORADO<br>307 Moffat Avenue<br>Hot Sulphur Springs, CO 80451                                                                                                                                                                                                                                                                                                               | DATE FILED: July 11, 2024 8:04 PM<br>FILING ID: E0C6058DF6AB2<br>CASE NUMBER: 2021CV30008                  |
| <p><b>Plaintiff:</b> GRANBY RANCH METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado,</p> <p>v.</p> <p><b>Defendants:</b> HEADWATERS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado; GRAY JAY VENTURES, LLC.; REDWOOD CAPITAL FINANCE CO., LLC, GRANBY PRENTICE, LLC; and GR TERRA, LLC.</p> |                                                                                                            |
|                                                                                                                                                                                                                                                                                                                                                                                                            | <p style="text-align: center;">▲ <b>COURT USE ONLY</b> ▲</p> <p>Case No. 2021CV30008</p> <p>Division 1</p> |
| <p style="text-align: center;"><b>ORDER GRANTING MOTION FOR SUMMARY JUDGMENT OF HEADWATERS METROPOLITAN DISTRICT ON COUNTS I AND IV OF ITS COUNTERCLAIMS AND OF GR TERRA LLC ON COUNT IV OF ITS COUNTERCLAIM</b></p>                                                                                                                                                                                       |                                                                                                            |

This matter having come before the Court on Defendants Motion for Summary Judgment on Counts I of Headwaters Metropolitan District’s Counterclaims to the Third Amended Complaint and Counts IV of both Headwaters Metropolitan District’s and GR Terra’s Counterclaims to the Third Amended Complaint (the “Motion”).

ORDERS that the Motion is Granted. Judgment in favor of Headwaters Metropolitan District and against Granby Ranch Metropolitan District is hereby entered on Counts I and IV of Headwaters Metropolitan District Counterclaims to the Third Amended Complaint and in favor

of GR Terra’s LLC and against Granby Ranch Metropolitan District is hereby entered on Count IV Counterclaim to the Third Amended Complaint.

Specifically, Headwaters is entitled to its recovery of its attorneys’ fees and costs in the amount of at least **\$860,949.83**, along with additional fees incurred through the resolution of this case.

Additionally, the Court permanently enjoins GRMD’s material departure from its Service Plan, specifically its attempt to impose obligations on Headwaters other than as set forth in the road maintenance and snow removal agreement.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2024.

BY THE COURT:

\_\_\_\_\_  
District Court Judge