

## LICENSE AGREEMENT

**THIS AGREEMENT** is made this 15 day of April, 2008, by and between the Mount Werner Water and Sanitation District, a Colorado special district, hereinafter referred to as the "District," and Mountain Meadow Preserve, LLC, hereinafter referred to as the "Licensee."

In consideration of the mutual promises and covenants contained in this Agreement, the parties hereto agree as follows:

### **I. GRANT OF LICENSE; DESCRIPTION OF PREMISES.**

The District hereby grants to Licensee a revocable license to enter upon the water main easement located immediately north of Building #1 of The Porches 2 as shown on Exhibits A, attached hereto and incorporated herein by this reference, for the purpose of erecting, maintaining and operating the improvements described in Section III herein.

### **II. TERM.**

The term of this Agreement shall be a period of five years from the date of execution, unless sooner terminated as provided below, and shall be automatically renewable for successive terms of five years unless terminated as provided below.

### **III. IMPROVEMENTS PERMITTED.**

Licensee is hereby authorized to install the improvements listed in Exhibit B, attached hereto and by this reference made a part hereof, hereinafter referred to as the "Improvements." The design, specifications and location of all improvements shall be subject to and receive the prior written consent of the District.

Licensee shall pay all expenses (including, but not limited to, the cost of maintenance, repair, operation) and liabilities arising out of or in any way connected with such Improvements.

### **IV. REMOVAL OF IMPROVEMENTS.**

The Licensee agrees to remove all, or a portion, of the Improvements, upon 10 days notice from the District. In the event the Licensee fails to remove the Improvements, the District may remove the Improvements itself. Whether removed by the District or the Licensee, the Licensee agrees that the District shall not be responsible for any damage to the Improvements whatsoever and shall not be required to restore the Improvements to the condition they were found.

Notwithstanding the foregoing, Licensee hereby agrees that when the District, in its sole discretion, determines that it is necessary, the District may remove the Improvements itself, without notice to the Licensee, and shall not be responsible for any damage to the Improvements whatsoever and shall not be required to restore the Improvements to the condition they were found.

**V. MAINTENANCE AND INDEMNIFICATION.**

The Licensee shall be exclusively responsible for all maintenance of the Improvements. Any injury to person or property, or other injury or damage arising from, associated with, or caused by the construction, use, maintenance, repair, removal by the District or the Licensee, repair of existence of the Improvements, or the terms of this Agreement shall be the exclusive responsibility of the Licensee.

The Licensee hereby agrees to indemnify the District, its agents, employees and successors, from any and all liability, loss, or damage the District may suffer as a result of claims, demands, suits, costs, or judgments against the District, its agents, employees and successors, including attorneys fees, court costs, and any other expenses, arising from or associated with or caused by: the acts or omissions of the Licensee, its officers, agents, employees, invitees, and guests; the construction, use, maintenance, or repair of the Improvements by any party; the existence of the Improvements; and the terms of this Agreement.

The Licensee further agrees to defend the District against any claims brought or action filed against the District, its agents, employees, or successors, with respect to the subject of the above indemnity contained herein, whether such claims or actions are rightfully or wrongfully brought or filed.

**VI. TERMINATION.**

This Agreement may be terminated by the District for any reason upon ninety days notice to Licensee. Licensee covenants and agrees that prior to the termination of this Agreement, the Improvements shall be removed and the property shall be restored to the written satisfaction of the District. Licensee shall remain bound by the covenants and promises contained in Section 5 hereof.

**VII. ASSIGNABILITY.**

This Agreement may not be assigned by the Licensee.

**VIII. NOTIFICATION.**

The notices required under this Agreement shall be effective upon deposit in the U.S. mail. All notices shall be send via first class U.S. mail, postage prepaid, to:

DISTRICT:  
General Manager  
Mount Werner Water and Sanitation District  
P.O. Box 880339  
Steamboat Springs, CO 80488

With a copy to:  
SHARP, STEINKE, & ASSOC.  
P.O. Box 774608  
Steamboat Springs, CO 80477

**LICENSEE:**

Mountain Meadow Preserve, LLC  
4185 County Rd 154  
Glenwood Springs, CO 81601

**IX. ATTORNEY'S FEES.**

In the event of a dispute arising as result of this Agreement, and it becomes necessary to refer the matter to attorneys, the prevailing part shall be entitled to the recovery of its attorney's fees and costs. Interest shall accrue on past balances at twelve (12%) percent per annum.

**X. INSURANCE.**

Licensee agrees at all times to carry a minimum of one million (\$1,000,000) dollars in liability insurance for the Improvements and to name the District or its successors as an additional named insured. Said policy shall provide that it may not be cancelled except upon 30 days notice to the District.

**XI. GOVERNING LAW.**

This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Colorado.

**XII. ENTIRE AGREEMENT.**

This Agreement shall constitute the entire agreement between the parties, and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either party except to the extent incorporated in this Agreement. In the event of breach or default in this agreement by a party, the other party shall have all remedies permitted in law or equity.

**XIII. MODIFICATION.**

Any modification of this Agreement or additional modification assumed by either party in connection with this Agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.

IN WITNESS WHEREOF, each party to this Agreement has caused it to be executed on the date first indicated above.

MOUNT WERNER WATER AND SANITATION DISTRICT, A COLORADO SPECIAL DISTRICT

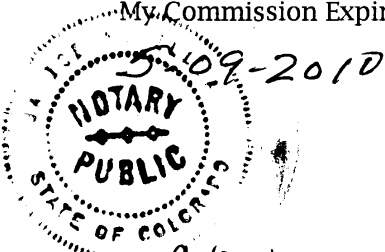
By: [Signature]  
Title: General Manager

LICENSEE: Mountain Meadows Preserve, Northtrk LLC  
By: [Signature]  
Title: \_\_\_\_\_

STATE OF COLORADO )  
 ) ss,  
COUNTY OF ROUTT)

Subscribed and sworn to before me this 15 day of APRIL, 20 08, by JAMES B. L. GALLAGHER, GENL. MANAGER of the Mount Werner Water and Sanitation District, a Colorado special district.

WITNESS MY HAND AND SEAL.  
My Commission Expires:

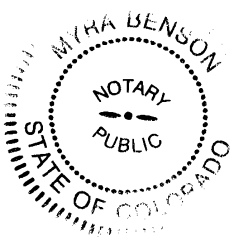


[Signature]  
Notary Public

STATE OF Colorado )  
 ) ss,  
COUNTY OF Routt

Subscribed and sworn to before me this 10 day of April, 20 08, by BRUCE SHUGART as member of Mountain Meadows Preserve, Northtrk LLC

WITNESS MY HAND AND SEAL.  
My Commission Expires:



[Signature]  
Notary Public

My Commission Expires  
April 2, 2011

APR 11 2008 10:22AM HP LASERJET 3200

p. 2

<b>ACORD, CERTIFICATE OF LIABILITY INSURANCE</b>		DATE (MM/DD/YYYY) 04/11/2008
PRODUCER ANDERSON-BAN INSURANCE INC. MIKE SPANBAUER 7808 VILLAGE SQ. DR. SUITE 203 CASTLE ROCK, CO 80108	303-814-3558 EXT. 2	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
INSURED MOUNTAIN MEADOWS PRESERVE LLC 4185 COUNTY RD 154 GLENWOOD SPRINGS, CO. 81601	INSURERS AFFORDING COVERAGE INSURER A: LLOYDS INSURER B: EVANSTON INSURANCE CO. INSURER C: INSURER D: INSURER E:	NAIC #

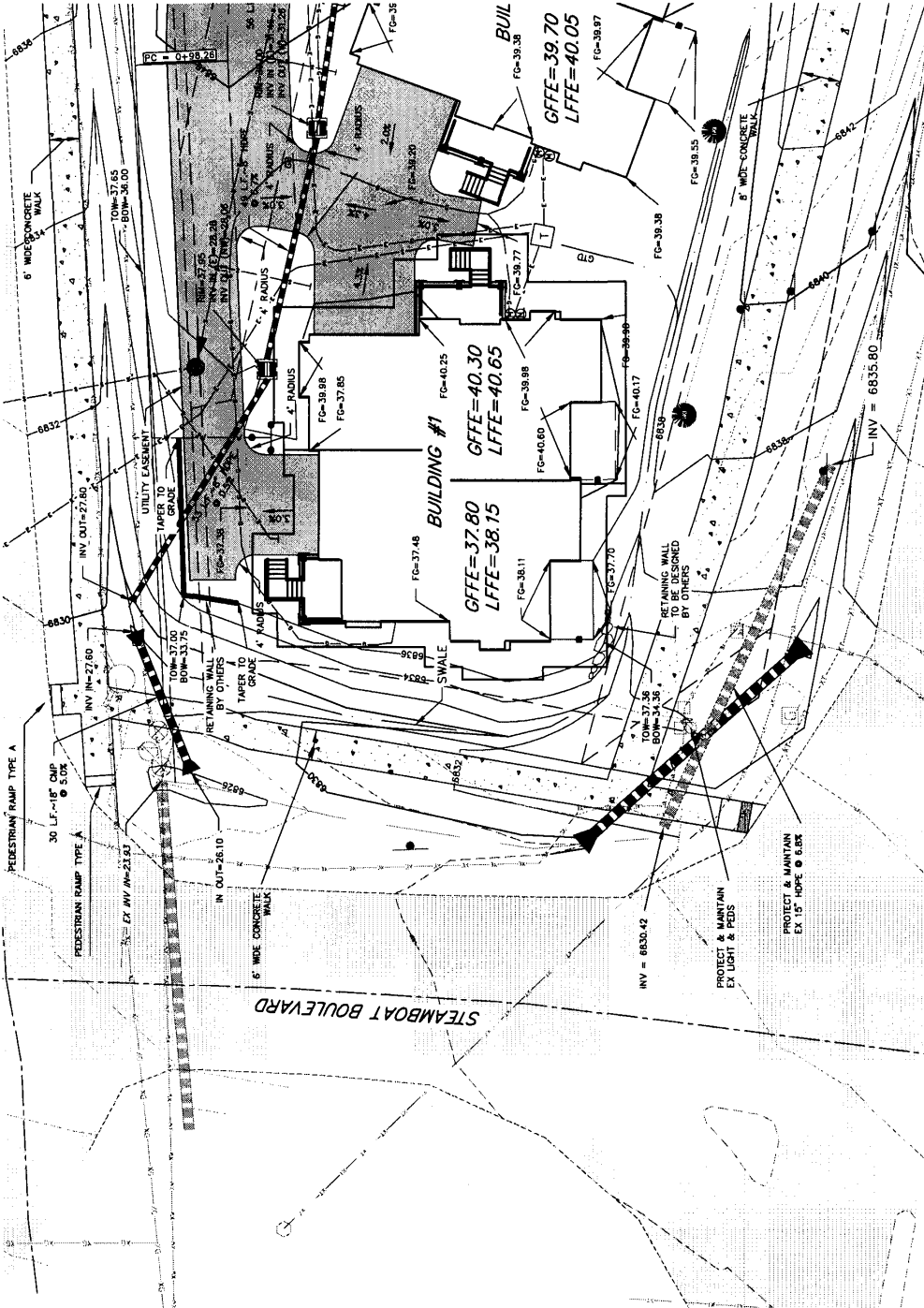
**COVERAGES**  
THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSURANCE TYPE	TYPE OF INSURANCE	POLICY NUMBER	INSURANCE RATE EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	RAS312845	12/02/07	12/02/08	EACH OCCURRENCE \$ 1,000,000 MEDICAL (Any one Person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS / COMPOUND \$ EXCL
	AUTOMOBILE LIABILITY ANY AUTO ALLOWED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS				COMBINED SINGLE LIMIT (EA ACCIDENT) \$ BODILY INJURY (Per Person) \$ BODILY INJURY (Per Accident) \$ PROPERTY DAMAGE (Per Accident) \$
	GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	EXCESS UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ DISEASE / POLICY LIMIT \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/ MEMBER EXCLUDED? SPECIAL PROVISIONS BELOW				DISEASE / POLICY LIMIT \$ DISEASE / POLICY LIMIT \$
B	EXCESS LIABILITY	XOBW2246907	12/02/07	12/02/08	3,000,000 EACH OCCURRENCE/ 3,000,000 AGGREGATE

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
 MOUNT WERNER WATER AND SANITATION DISTRICT IS ADDED AS ADDITIONAL INSURED

<b>CERTIFICATE HOLDER</b> MOUNT WERNER WATER AND SANITATION DISTRICT P. O. BOX 880319 STEAMBOAT SPRINGS, CO 80488	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BY MAIL TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Mike Spanbauer
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# Exhibit A



DATE	DESCRIPTION

Porches II  
Steamboat Springs, CO

Porches II  
Steamboat Blvd & Mt Werner Sidewalk Culverts  
Exhibit A

DATE: 04/16/08  
BY: JAW  
CHECKED: JAW  
SCALE: 1" = 20'

Vertical Scale: 1" = 10'  
Horizontal Scale: 1" = 20'

CONSEIL/PAUL INC.

341 Mt. Werner, P.O. Box 17964  
Steamboat Springs, CO 80427  
www.conseilpaul.com

SHEET NO. 1 OF 1

(C) COPYRIGHT 2007, LANDMARK CONSULTANTS, INC.

# Exhibit B

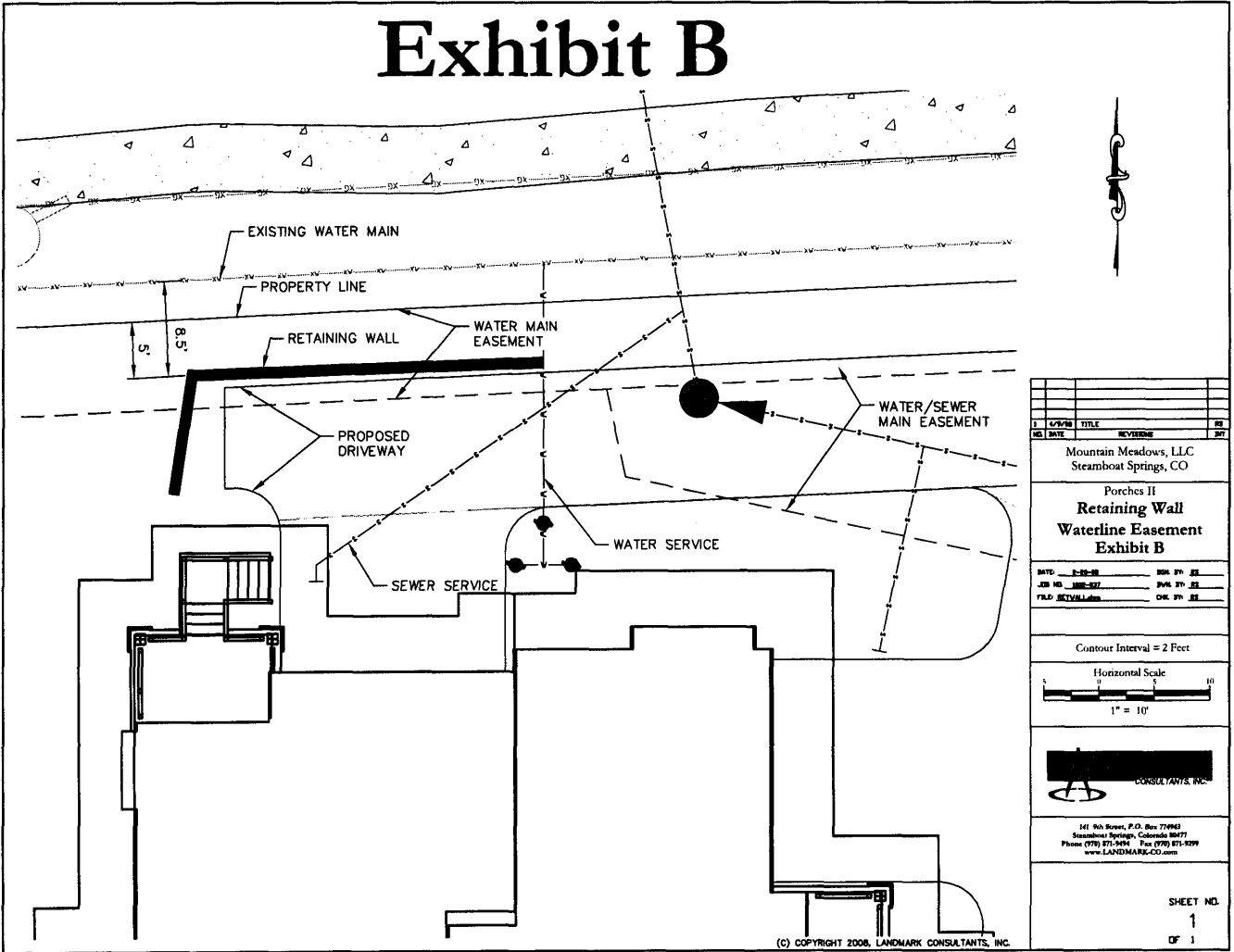
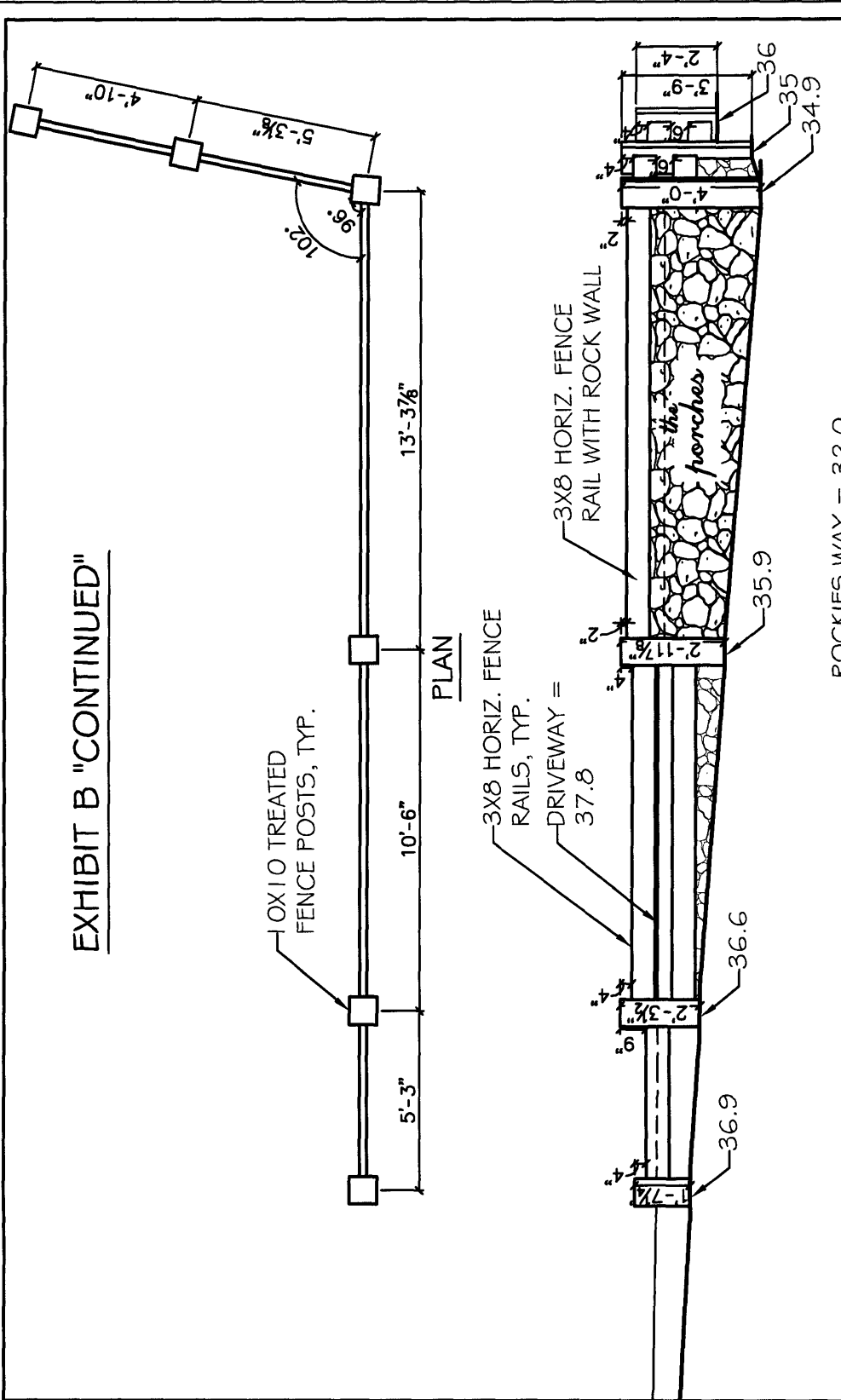


EXHIBIT B "CONTINUED"



ELEVATION

Sheet: **A1.0**

Job #: \_\_\_\_\_  
 ENTRY: \_\_\_\_\_  
 date: 11.13.07  
 drawn by: JSK

*the porches*  
 STEAMBOAT SPRINGS COLORADO

