DUFFORD
WALDECK
LAW

744 HORIZON COURT, SUITE 300
GRAND JUNCTION, CO 81506

970-241-5500
WWW.DWMK.COM

April 23, 2021

Partners
Barbara R. Butler
William S. DeFord
Nathan A. Keever
Michael A. Kuzminski*
Christopher G. McAnany*
Annie D. Murphy*~
John R. Pierce+
Sam D. Starritt✧

Of Counsel
Shelly S. Dackonish

Associates
Jon T. Burtard
Samuel H. Fresher
Kate E. Jaquith
Charlotte L. McEwen
Lauren F. O'Dell*
Bruce C. Walters

Retired Partners
William H.T. Frey
Richard H. Krohn
Laird T. Milburn

D. J. Dufford
(1919-1998)

William G. Waldeck
(1923-2009)

+ Also admitted in Oregon
* Also admitted in Utah
~ Also admitted in Wisconsin
✧ Also admitted in Wyoming

CHRISTOPHER G. MCANANY
970-248-5862
mcanany@dwmk.com

Preston Neill, Town Manager
201 North Railroad Street
Ridgway, CO 81432

By: First Class Mail and Email, pneill@town.ridgway.co.us

Re: Riverfront Village, Planned Unit Development, Preliminary Plat/Plan Review, Ridgway Planning Commission

Dear Mr. Neill:

I write to submit comments to the Ridgway Planning Commission in advance of its hearing on April 27, 2021 reviewing the proposed Riverfront Village Planned Unit Development. Please provide my comments to the Planning Commission and make sure that these are made part of the administrative record in that proceeding. I am providing a copy of this letter to the applicant, so it is also aware of our concerns.

My firm represents 157 Management LLC (157 Management), the owner of Lot 2 of the Triangle Subdivision, 157 U.S. Highway 550. Lot 2 has an existing business known as "Mountain Annies," and it is immediately south of the proposed Riverfront Village. See Exhibit 1, attached.

157 Management does not oppose the Riverfront Village development plan. However, we do have some concerns that any plan of development respect the existing access rights in favor of 157 Management pursuant to recorded easements that encumber the Riverfront Village property. 157 Management is currently negotiating with the applicant, Alpine Homes-Ridgway, LLC (Alpine), with respect to cost sharing for a new access to Highway 550. As of this date the parties have not reached agreement as to key terms, and there is a disagreement as to whether cost sharing is mandated under the governing documents. We request that the Town attach conditions to its preliminary plat approval that addresses our access concerns and preserve access rights for Lot 2.

157 Management accesses Highway 550 via an easement across the Lot 1, the Riverfront Village site. Copies of the applicable easement documents are attached as Exhibits 2, 3, and 4 and they are referenced in the preliminary plat. We understand that the Riverfront Village development plan necessitates a revised highway access permit with the Colorado Department of Transportation

(CDOT), which may result in the current highway access for Lot 2 being consolidated and moved northward on Lot 1. Consequently, these changes may result in deviations from the express terms of the recorded easements, which were enacted with reference to previous development plans that were never finalized. We request that the Town conditionally approve the plat/plan subject to the following conditions, which should be appended to the final plat/plan notes and recorded with same.

1. The site plan, Sheet A1.1[1] shows an existing access immediately north of the Lot 2 boundary and states "existing access to be converted to emergency access only per CDOT approval granted. Breakaway barrier as required." This area is currently used for access to Lot 2. We request that the following be added to the end of that sentence: **"Existing access is to be converted to emergency-only access only when access improvements to Highway 550 are completed and available for use by users of Lots 1 and 2 of the Triangle Subdivision."**

2. The plat notes, Section 13(a), refers to easements within the subdivision. We request that the following language be added at the end of that section: **This Plat does not impair the rights of ingress/egress for vehicular and pedestrian access and signage granted in favor of the owner Lot 2 of the Triangle Subdivision, and its respective tenants, customers, guests, and invitees, as referenced in the following documents of record, Reception Nos. 150643, 195143, 201106 (the Recorded Easements). To the extent that the access and utility easements shown herein deviate in area from the area of Recorded Easements in favor of Lot 2, it is the intention of the Owner that this Plat shall preserve all such access/signage rights in favor of Lot 2 so as to provide unimpeded access to State Highway 550, in conformity with all approved access permits of the State of Colorado.**

3. It does not appear that the applicant has submitted a master sign plan for the development, though there appear to be three or more businesses (inclusive of Lot 2) that may be using the subject access. See R.M.C. 7-13-7(J)(2). Lot 2 currently has signage that complies with Town ordinances. Because signage is critical to the success of highway frontage properties, we request that the Town condition any approval of the Riverfront Village development upon the applicant submitting and obtaining approval of a master sign plan. We request the following be added to any approval resolution[2]: **The applicant shall submit and obtain approval of a master sign plan for the development, which shall encompass signage for Lot 2 and all other businesses on**

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[1] All design documents reference the project as "Tavaci Village," but we understand the applicant has changed the name to "Riverfront Village" and we follow that convention here.
[2] This language could also be included in the final plat notes, if deemed appropriate by the Town.

the subject property. The sign plan shall provide for Lot 2 signage which is as good as or better than (in terms of area) the signage already possessed by Lot 2.

The intent behind these changes should be self-evident. Our desire is simply to confirm the existing access rights in favor of Lot 2 so as to avoid damage to that property and the existing business located there. We request that the Town require that this language be included in the final plat/plan for the Riverfront Village at such time as it is approved for recording.

We note that the Town has authority to approve a subdivision plat subject to conditions, and it may utilize plat notes to carry into effect code requirements. See Ridgway Municipal Code 7-4-5(B)(8) and 7-4-7(J)(1). And Town design standards require that all lots have access to a street connected to the public street system. R.M.C. 7-4-7(C)(2). As noted, the code also has provisions for signage review. The conditions requested here are intended to assure that access and visibility are preserved in conformity with these code sections and governing easement documents.

Last, we ask that the Town take note that reasonable access is important for the success of retail businesses along the Highway 550 corridor. Restricting access, as contemplated by the Riverfront Village PUD, could have a negative effect on the existing business located on Lot 2. This business provides a significant contribution to the economic base of the Town, and we ask that the Town do everything possible to avoid harm to that enterprise.

Thank you for your attention to this. Please let us know if you have further concerns or questions.

Sincerely,

Christopher G. McAnany

Enclosures

xc: Client
Alpine Homes-Ridgway LLC
TJ Dlubec, Town Planner

EXHIBIT 1

FLOOR AREA SUMMARY AND PARKING REQUIREMENTS:

BUILDING C
COMMERCIAL 1-STORY 2,000 SF TOTAL
RESTAURANT 2,000 SF / 100 = 20 SPACES
20 SPACES

BUILDING CM
COMMERCIAL/RESIDENTIAL MIXED USE 2-STORY 7,429 SF
GROUND LEVEL 3,953 SF RETAIL COMMERCIAL TOTAL
PARKING: 3,953 SF / 250 = 16 SPACES
UPPER LEVEL RESIDENTIAL (4) 2-BR UNITS AT 861 SF AND EA = 3,446 TOTAL
PARKING: 2.5 SPACES PER UNIT 9 SPACES - UNCOVERED
24 SPACES

BUILDING M1 A & B
MULTI-FAMILY 2 BUILDINGS 2-STORY 3,612 SF EACH (7,224 SF TOTAL)
2 - 3 BR UNITS
2 - 2 BR UNITS (ONE TYPE A AND ONE TYPE B ANSI ACCESSIBLE UNITS)
2 - 1 BR UNITS
CONVERTED PARKING (15 SPACES)
[illegible]
15 SPACES
NOTE: ADD A 4 BEDROOM AND TWO (2) 1-BEDROOM UNITS

BUILDING M2
MULTI-FAMILY 3-STORY 14,153 SF
2 - 3 BR UNITS
6 - 2 BR UNITS
2 - 1 BR UNITS
GARAGE 1ST LEVEL 16 SPACES (2 PER UNIT)
4 VISITOR SPACES
20 SPACES

BUILDING M3
MULTI-FAMILY 3-STORY 16,506 SF
2 - 3 BR UNITS
6 - 2 BR UNITS (ONE TYPE A ANSI ACCESSIBLE UNIT)
2 - 1 BR UNITS
GARAGE 1ST LEVEL 15 SPACES (2 PER UNIT 1 PER 1-BED UNIT)
4 VISITOR SPACES
22 SPACES
NOTE: ADD INCREASED BY TWO (2) 1-BEDROOM UNITS

BUILDING G1 G1-G5
TOWNHOMES 2-STORY 23,655 SF TOTAL (IN 5 BUILDINGS)
LIVING 1,826 SF (3 BR) + GARAGE 2 CAPS 531 SF = 2,369.5 SF EA UNIT
20 SPACES

TRIANGLE PARCEL PUD:

SITUATED IN THE W1/2SE1/4NW1/4 OF SECTION 16 TOWNSHIP 45 NORTH RANGE 8 WEST, N.M.P.M. TOWN OF RIDGWAY COUNTY OF OURAY, STATE OF COLORADO.

TIB ACREAGE: 6.3 ACRES
ZONING: GENERAL COMMERCIAL
SETBACKS: FRONT 15' REAR 25'
DWELLING UNITS: 28 TOTAL
BEDROOMS: 82 TOTAL
MAX BED OCCUPANCY: 186

LOT AREA CALCULATION
SITE 187,326 SF
BUILDINGS: 36,073.85 SF — 20% OF TOTAL LOT AREA
HARDSCAPE: 20,245.97 SF — 11% OF TOTAL LOT AREA
56,319.82 SF — 30.04% TOTAL

SCHOOL BUS STOP: THE DEVELOPMENT TEAM IS WORKING WITH SHANE AYER AT RIDGWAY SCHOOL DISTRICT TO FINALIZE LOCATION.

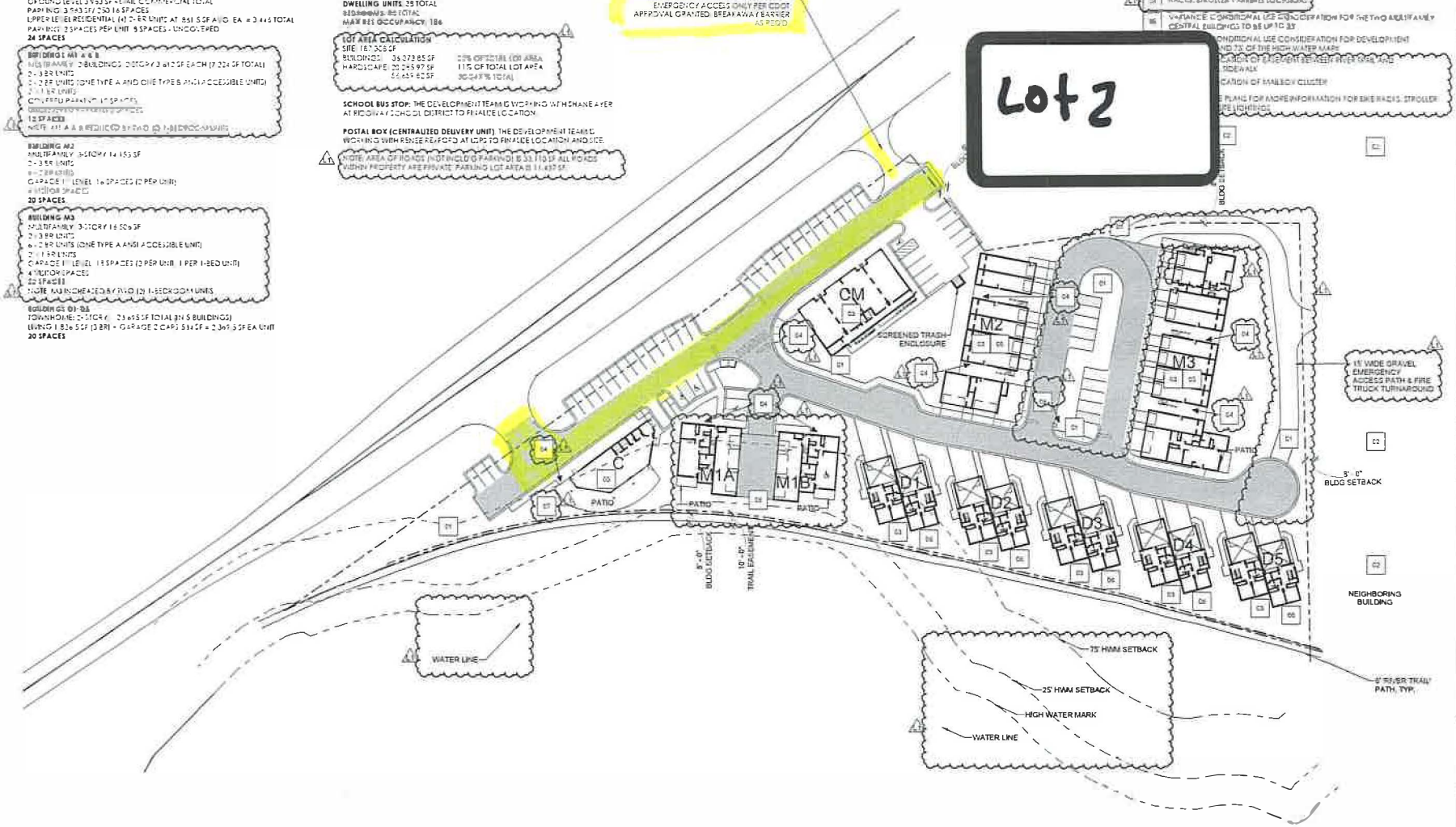
POSTAL BOX (CENTRALIZED DELIVERY UNIT) THE DEVELOPMENT TEAM IS WORKING WITH RENEE REXFORD AT USPS TO FINALIZE LOCATION AND SIZE.

NOTE: AREA OF ROADS (NOT INCLUDING PARKING) IS 33,110 SF. ALL ROADS WITHIN PROPERTY ARE PRIVATE. PARKING LOT AREA IS 11,437 SF.

EXISTING ACCESS TO BE CONVERTED TO EMERGENCY ACCESS ONLY PER CDOT APPROVAL GRANTED. BREAKAWAY BARRIER AS NEEDED

KEYED NOTES:

D1 SNOW STORAGE AREA
D2 COMMERCIAL BUILDING/BUSINESS WITHIN 100' OF SUBJECT PROPERTY
D3 VARIANCE: CONDITIONAL USE CONSIDERATION FOR RESIDENTIAL IN THE GC DISTRICT OVER 10,000 SF (M2 & M3) AND TOWNHOUSES WITHIN THE UROD
D4 RACES, STROLLER PARKING LOCATIONS
D5 VARIANCE: CONDITIONAL USE CONSIDERATION FOR THE TWO MULTI-FAMILY CENTRAL BUILDINGS TO BE UP TO 3 ST
[illegible] CONDITIONAL USE CONSIDERATION FOR DEVELOPMENT [illegible] ND 75' OF THE HIGH WATER MARK
[illegible] LOCATION OF EASEMENT BETWEEN RIVER TRAIL AND [illegible] SIDEWALK
[illegible] LOCATION OF MAILBOX CLUSTER
[illegible] E PLANS FOR MORE INFORMATION FOR BIKE RACKS, STROLLER [illegible] RE LIGHTING



1 OVERALL SITE PLAN
1" = 40'-0"

NORTH

caddis
Architecture, planning, etc.

TAVACI VILLAGE

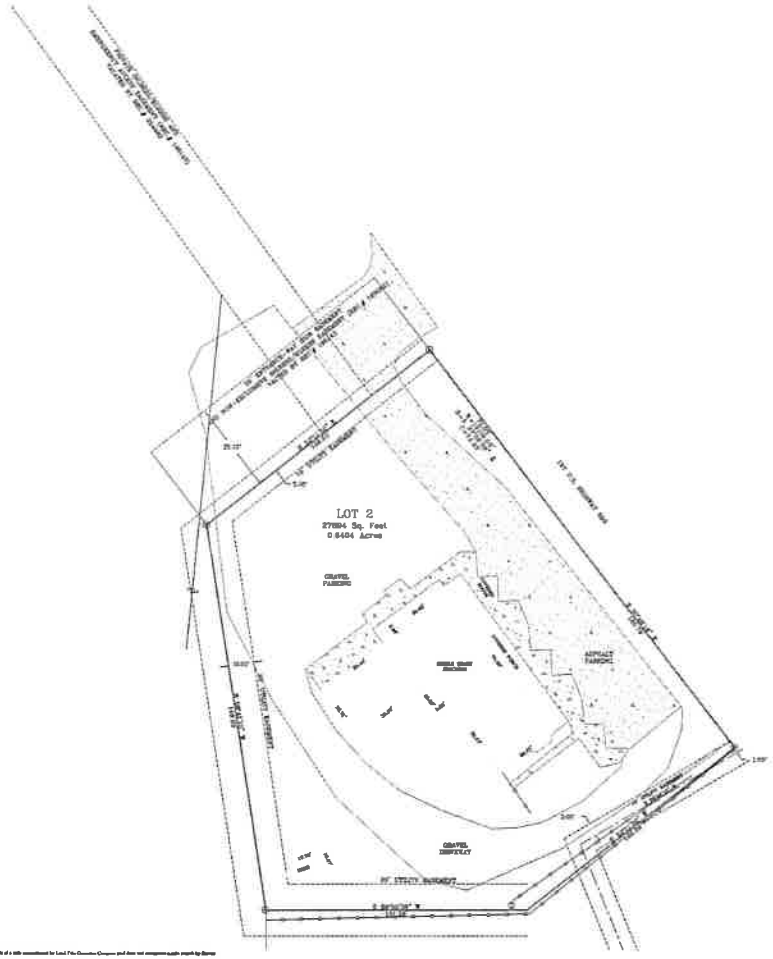
LOT 1 TRIANGLE SUBDIVISION
RIDGWAY, CO 81432

PRELIMINARY PLAT RESUBMISSION

ARCHITECTURAL SITE PLAN

A1.1

IMPROVEMENT SURVEY PLAT
157 HIGHWAY 550, RIDGWAY, CO



LEGEND

- INDICATES FOUND REBAR W/ 1.5" RED SURVEY CAP-CLC
- OVERHEAD POWER LINE
- POWER POLE

SCALE: 1" = 20'

LEGAL DESCRIPTION

LOT 2, TRIANGLE SUBDIVISION, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 22, 1992 UNDER RECEPTION NO. 188640, ALL IN THE TOWN OF RIDGWAY, COUNTY OF OURAY, STATE OF COLORADO.

ADDRESS IS 157 HIGHWAY 550, RIDGWAY, CO 81432

TITLE COMMITMENT NOTES

EXCEPTIONS 1-10 CANNOT BE DEPICTED ON THIS SURVEY.

EXCEPTION 11 EASEMENT DOES EFFECT THIS PROPERTY.

EXCEPTIONS 12 & 13 CANNOT BE DEPICTED ON THIS SURVEY.

EXCEPTION 14 ALL ITEMS PERTAINING TO THIS LOT ARE DEPICTED ON THIS SURVEY.

EXCEPTIONS 15 & 16 ARE SHOWN ON THIS SURVEY.

SURVEYOR'S CERTIFICATE

I, Steven A. Yelton, a Registered Land Surveyor in the State of Colorado, do hereby certify this plat to Deep Creek #5, LLC, a Colorado Limited Liability Company and Land Title Guarantee Company, Order Number: OUC85007025, dated January 19, 2021 and/or assigns, and that there are no roads, pipelines, irrigation ditches or other easements or rights-of-way in evidence or known to me to exist on or across said property except as shown on this plat. I certify that I have made the survey represented by this plat and that this plat accurately represents said survey, and conforms to all applicable requirements of the Colorado State Regulations and applicable law. I further certify that all monuments shown hereon actually exist and their positions are as shown.

C.R.S. (Section 38-51-106 Statement: this plat does not represent a title search by the Surveyor, nor by any professional corporation or business entity with which said Surveyor may be associated.

Colorado Registered Land Surveyor
Registration No. 38645
Date: 02/03/2021

GENERAL NOTES

This survey was performed with the benefit of a title commitment by Land Title Guarantee Company and does not comprise a title search by Surveyor or Author.

Boundary certifications herein shall run only to the parties for whom the survey was prepared and on the behalf of the signatories of the Certificate thereof. Surveyor's certificates are not transferable to additional institutions or subsequent owners.

No guarantee or warranty of the correctness of any information contained within this plat is either express or implied. Unless this plat bears an original Surveyor's seal and an ink signature, it is a preliminary or informal document. Only printed or electronic copies bearing both seal and ink signature shall be valid. Electronic versions found on the internet may have been altered.

NOTICE OF WARRANTY:
AS PROVIDED BY COLORADO LAW YOU MUST COMMENCE ANY LEGAL ACTION WITHIN ONE YEAR AFTER YOU DISCOVER SUCH DEFECT OTHER SUCH DEFECT WITHIN TEN YEARS AFTER YOU FIRST DISCOVERED SUCH DEFECT IN NO EVENT MAY ANY ACTION BASED UPON ANY DEFECT IN THIS SURVEY BE COMMENCED MORE THAN TEN YEARS FROM THE DATE OF THE CERTIFICATE SHOWN HEREON.

ROCKY MOUNTAIN SURVEYING

Professional Land Surveyor #33645
2816 Primrose Ct.
Montrose, CO 81401
Office: 970-964-6105
Email: rmrkms00@gmail.com

REVISIONS:

FB: n/a
Checked:
Area:

2021 STEVEN YELTON PLS #38645 "unauthorized use prohibited"

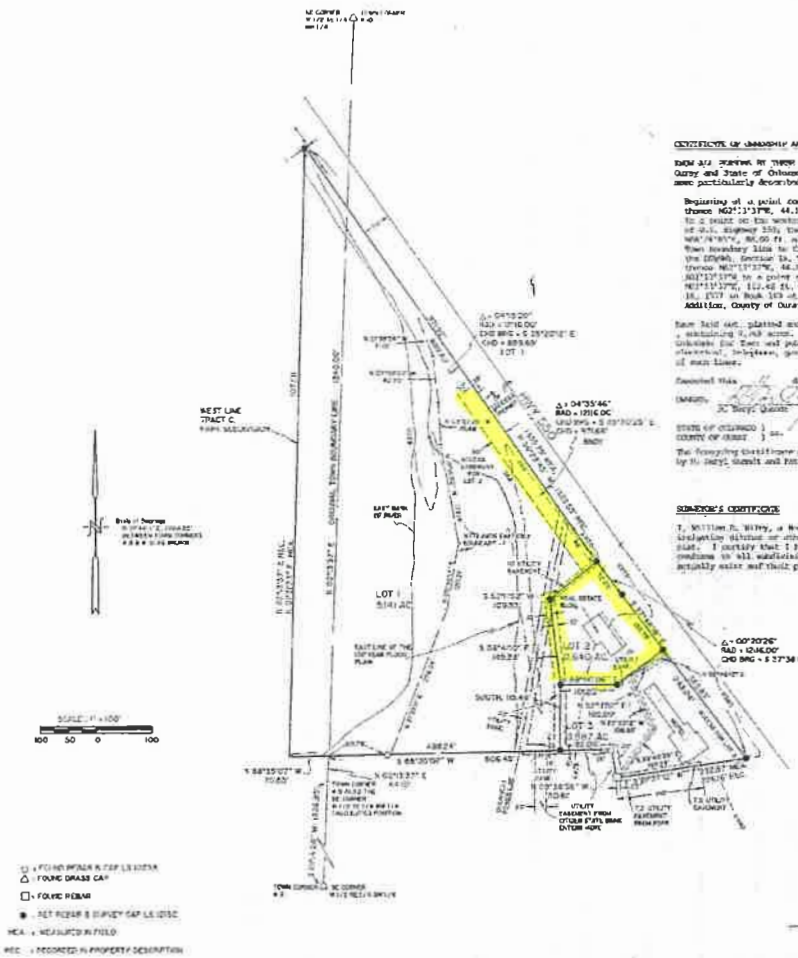
IMPROVEMENT SURVEY PLAT
157 HIGHWAY 550, RIDGWAY, CO

FILE: 2116 | DATE: 02/02/2021 | FW: 02/01/2021 | DRAFTING: SAY | FIELD: SAY | SHEET: 1 of 3

TRIANGLE SUBDIVISION

SITUATED IN THE SE 1/4 NW 1/4 AND IN THE
NE 1/4 SW 1/4 ALL IN Sec. 16, T45N, R8W, N.M.P.M.
BEING A PORTION OF THE ORIGINAL TOWN
BOUNDARY AND IN SUNSET ENTERPRISES ADDITION,
RIDGWAY, COLO.
ALSO BEING A PART OF TRACT C,
PARK SUBDIVISION, OURAY CO., COLO.

EXHIBIT 2



CERTIFICATE OF OWNERSHIP AND DEDICATION

KNOW ALL PERSONS BY THESE PRESENTS that the undersigned being the owners of certain lands in the Town of Ridgway, County of Ouray and State of Colorado, situated in the NE1/4SW1/4 and the SE1/4NW1/4 Section 16, Township 45 North, Range 8 West, N.M.P.M., and more particularly described as follows:

Beginning at a point common to the southwest corner of the SE1/4NW1/4 said Section 16 and corner No. 9, Ridgway Town Boundary; thence N02°11'37"E, 44.10 ft.; thence N88°35'07"E, 505.45 ft.; thence S09°38'48"E, 58.61 ft.; thence N81°27'17"E, 226.18 ft. to a point on the westerly right of way of U.S. Highway 550; thence N4°27'07"W, 1121.53 ft. along the westerly right of way of U.S. Highway 550; thence S02°13'37"W, 1215.86 ft. to a point on the northerly right of way of Colorado Highway 62; thence N84°48'07"W, 80.00 ft. along said northerly right of way of Colorado Highway 62; thence N02°11'37"E, 111.48 ft. along the Ridgway Town Boundary line to Corner 8, Ridgway Town Boundary and point of beginning. EXCEPT a tract of land in the NE1/4SW1/4 and the SE1/4NW1/4, Section 16, Township 45 North, Range 8 West, N.M.P.M. described as beginning at Corner No. 9, Ridgway Town Boundary; thence N02°11'37"E, 44.10 ft.; thence N88°35'07"E to a point on the west boundary of Tract C, Park Subdivision; thence N02°11'37"E to a point on the northerly right-of-way line of Colorado State Highway 62; thence N84°24'07"E, 88.00 ft.; thence N02°11'37"E, 112.42 ft. to the point of beginning. As conveyed to the Citizens State Bank of Ouray in Book included August 16, 1977 in Book 153 at Pages 804, 805, 806, 807, 808 and 809. Portion of subject property also known as Sunset Enterprises Addition, County of Ouray, State of Colorado.)

Have laid out, platted and subdivided same into lots, as shown on this plat, under the name and style of TRIANGLE SUBDIVISION, containing 9.768 acres. The utility easements shown on this plat are dedicated, granted and conveyed to the Town of Ridgway, Colorado for Town and public utility drainage, and related purposes, including but not limited to water, sewer, storm sewer, electrical, telephone, gas and CATV lines, together with perpetual right of ingress for installation, maintenance and replacement of main lines.

Executed this 31st day of March, 1992.

OWNERS: D. Beryl Quandt; Patricia Kathleen Quandt

STATE OF COLORADO } ss.
COUNTY OF OURAY }

The foregoing Certificate of Ownership and Dedication was acknowledged before me this 31st day of March, 1992 by D. Beryl Quandt and Patricia Kathleen Quandt. Witness my hand and official seal. My commission expires

Notary Public

SURVEYOR'S CERTIFICATE

I, William D. Riley, a Registered Land Surveyor in the State of Colorado, do hereby certify that there are no roads, pipelines, irrigation ditches or other easements in evidence or known to me to exist on or across said property except as shown on this plat. I certify that I have made the survey represented by this plat and that this plat accurately represents said survey and conforms to all subdivision regulations of the Town of Ridgway, Colorado. I further certify that all easements shown hereon actually exist and their positions are as shown.

William D. Riley 3-5-92
William D. Riley — Date
Colorado Registered Land Surveyor
#17180

LIENHOLDER'S CERTIFICATE

The undersigned holders of liens or encumbrances affecting this property do hereby consent to the subdivision, public dedications and the reservations of easements as stated in the Certificate of Ownership and Dedication and as otherwise described hereon.

THE DAVID B. WOOD TRUST, DAVID B. WOOD, TRUSTEE

STATE OF COLORADO }
COUNTY OF OURAY } ss.

The foregoing Certificate was acknowledged before me this 13th day of March, 1992, by David B. Wood, Trustee, The David B. Wood Sharing Trust of the Harry A. Lowe Agency. Witness my hand and official seal. My commission expires 9/14/93

Notary Public
Address: 1 Main Ouray 81427

FIRST NATIONAL BANK OF MONTROSE

Kenneth E. Kolb, President

STATE OF COLORADO }
COUNTY OF MONTROSE } ss.

The foregoing Certificate was acknowledged before me this 5th day of March, 1992, by Kenneth E. Kolb, President, First National Bank of Montrose. Witness my hand and official seal. My commission expires

Notary Public
Address:

ENGINEER'S CERTIFICATE

The undersigned hereby certifies that the water, sewer, fire protection and drainage system and the streets, as shown hereon meet all requirements of Town of Ridgway specifications and standards or are as otherwise agreed upon between the Town of Ridgway and the owners.

P.E. #5790 — 3-5-92

ATTORNEY'S CERTIFICATE

I hereby certify that I have examined Attorney Title Guarantee, title commitment number No. C-120170 pertinent to this property and that, according thereto, all record owners and holders of liens and encumbrances affecting the property have executed this plat and joined in the subdivision, public dedications and reservation of easements indicated hereon, except for current general taxes and the following: Deed of Trust recorded in Book 213 at Page 500 and divorce decree recorded in Book 187 at Page 288

Reg. No. 6106 — 3/10/92

APPROVAL OF PLANNING COMMISSION

Approved by the Planning Commission, Town of Ridgway, Colorado, this 31st day of March, 1992.

Chairman

APPROVAL OF MAYOR AND BOARD OF TRUSTEES

Approved by the Mayor and Board of Trustees of the Town of Ridgway, Colorado this 8th day of April, 1992.

Mayor

APPROVAL OF TOWN ATTORNEY

Approved for recording this 21st day of April, 1992.

Town Attorney

RECORDER'S CERTIFICATE

This plat was filed for record in the office of the Clerk & Recorder of Ouray County, Colorado at 3:15 P.M. on this 22nd day of April, 1992, with Reception No. 150269

Ouray County Clerk & Recorder

NOTES

1. No development of any sort (including fill or gravel extraction) will be allowed on Lot 1, westerly of the wetlands' easterly boundary as shown hereon. This exclusion to therein bed that.

2. Any development including fill or gravel extraction within the boundaries of the 100 year flood plain is subject to the Floodplain Management Regulations of the Town and will not be allowed unless and until a development permit pursuant to said regulations is received.

3. Access to Highway 550 is controlled by a State Highway Access Permit. No development permits or building permits shall be issued for Lots 1 and 2 unless an amended access permit allowing for such development or building is obtained from the State Highway Department.

BOOK 304 PAGE 79
DATE 7-7-8
REVISED 3-27-92

FOR HOWARD D. & PATRICIA K. QUANDT

TRIANGLE SUBDIVISION

MESA SURVEYING
P.O. BOX 1287 MONTROSE, COLORADO

SHEET ___ OF ___ FILE NO 90-46

EXHIBIT 3

EASEMENT AGREEMENT

THIS AGREEMENT, made this 7th day of June, 2007, between Ridgway Hot Springs, LLC, with an address of 68 Bear Cub Drive, Ridgway, CO 81432 ("RHS"), and Telluride Real Estate Company, LLC 232 W. Colorado Ave. Telluride, Colorado 81435 ("TREC").

RECITALS:

a) RHS, is the owner of Real Property in the Town of Ridgway, County of Ouray, State of Colorado: Lot 1, Triangle Subdivision, according to the recorded Plat filed April 22, 1992 at Reception No. 150643 ("Lot 1").

b) TREC, is the , is the owner of the following real property in the Town of Ridgway ("Town"), County of Ouray, State of Colorado: Lot 2, Triangle Subdivision, according to the recorded Plat filed April 22, 1992 at Reception No. 150643 ("Lot 2" or "TREC Property").

ARTICLE I
ABANDONMENT OF PRIOR EASEMENTS

Section 1.1 Existence of Prior Easements. Documents recorded at Reception Number 150643, Book 230, Page 837 and Reception Number 163082 grant certain easement rights for the benefit of Lot 2 over and across Lot 1 for the purposes of ingress, egress and entrance sign right of way ("Old TREC Access")

Section 1.2. Voluntary Relinquishment of Existing Easements. In consideration of the rights created by this document, the Parties, by executing this agreement hereby voluntarily terminate, revoke and rescind all easement rights granted in the documents referenced in Section 1.1 above.

Section 1.3. Consideration for Future Colorado Department of Transportation ("CDOT") Approvals. Subject to the future CDOT approval which would allow for the re-establishment of the pre-existing CDOT Highway 550 access requiring the easement referenced in Section 1.1 above, RHS agrees to cooperate with TREC regarding the re-establishment of the pre-existing easement rights with the specific understanding that TREC agrees to pay for all costs related to re-establishing the CDOT approved access and will provide RHS with a shared parking agreement equal to the number of parking spaces lost in re-establishing the CDOT approved access which will benefit both Lot 1 and Lot 2.

ARTICLE II
GRANT OF EASEMENT

Section 2.1 Easements

a. Subject to the terms and conditions stated herein RHS, hereby grants and conveys to TREC, a non-exclusive, perpetual easement for the purposes of ingress and egress over and across that portion of Lot 1 identified on Exhibit A hereto and incorporated by this reference.

b. Subject to the terms and conditions stated herein RHS hereby grants and conveys to TREC a non-exclusive, perpetual easement for an identifying directional TREC sign prominently displayed at or about the entrance from Hwy 550 onto the RHS property. Said signage, which shall be approved in the sole reasonable discretion of TREC, shall be significant in that it will provide highly visible notice to TREC customers and prospective customers that the new TREC access is now located as set forth herein.

ARTICLE III
TERMS AND CONDITIONS OF EASEMENTS

Section 3.1. The rights of ingress, egress granted herein shall be unrestricted except as set forth herein:

a. Appurtenant to the Land. The easements granted herein shall be perpetual and the benefits and burdens thereof shall run with the title to both Lot 1 and Lot 2.

b. Transfer of Exhibit A Property to Owners' Association. Upon Final Plat approval of the Ridgway Hot Springs, P.U.D. by the Town of Ridgway, RHS shall transfer the property described on Exhibit A to the Ridgway Hot Springs Owners Association which shall assume all rights and obligations of RHS.

c. Construction of Parking Improvements. The parties understand that the easement area described on Exhibit A hereto is to be improved and resurfaced with asphalt, paint striping and, where applicable, curb, gutter and a storm water drainage system pursuant to engineered plans drawn by Sopris Engineering, LLC on behalf of RHS and approved by the Town of Ridgway (collectively the "Parking Improvements"). RHS shall contract for and complete the installation of the Parking Improvements as part of the construction of the hotel buildings on the RHS property. RHS shall be solely responsible for all costs of Parking Improvements on the Exhibit A property.

d. Conditions to Termination of Old TREC Access. The parties understand that as a condition of Colorado Department of Transportation approval of the Access to Highway 550, RHS will need to close the existing access on Lot 1 utilized by TREC when RHS completes and improves the new access, which will be located approximately 200 feet north of the current TREC entrance. Provided however, notwithstanding anything herein to the contrary, the Old TREC Access shall terminate and no longer be available for use by TREC, its agents and employees, and its customers only upon full completion and approval of the following: (a) the Parking Improvements referred to in Subsection 3.1.c above, (b) installation of the signage referred in Subsection 2.1.b above, (c) unconditional approval by the Town of Ridgway, Ouray County (if necessary) and the CDOT of the new access referred to at Subsection B.1.a above, and (d) the issuance by the Town of Ridgway of a Certificate of Occupancy for the hot springs and hotel buildings to be built by RHS as part of its Lot 1 project.

e. Access during Construction. At such time as the existing access is closed and the new access is opened per CDOT requirements, RHS shall have the obligation of providing adequate vehicular access to and from the new access point to the north east Corner of the TREC property. During the construction of the hotel project on Lot 1 RHS shall maintain a dirt and/or gravel access to Lot 2 at all times. Said access shall be adequately graded, signed and marked to allow occupants and customers of the Lot 1 property to gain access for retail commercial purposes. Prior to the issuance of the Certificate of Occupancy for the Lot 1 Hotel Buildings, RHS shall complete the Parking Improvements on Lot 1.

f. Obstructions to Traffic. The parties hereby agree that the owner of Lot 1 shall keep the Exhibit A Easement clear of obstructions and open for use. Said obligation shall be subject to the need for reasonable closures related to maintenance of the Parking Improvements and/or construction or improvement of adjacent structures. In the event that the construction or improvement of an adjacent structure requires the closure of any access way, the closure shall be temporary in nature with a duration of no more than 12 consecutive hours and the Lot 1 Owner shall be responsible for providing reasonable alternative access to the benefited property owner during such period of closure.

g. Maintenance. The parties recognize that the easement area will need occasional maintenance including snow removal. The parties hereby agree that the owner of Lot 1 shall be responsible for all maintenance of the Exhibit A properties. Such responsibility shall include the responsibility for contracting for snow removal, re-striping of the parking areas and repair and reconstruction of the Parking Improvements when such is needed.

h. Cost of Maintenance. The expenses related to any and all maintenance associated with the easement described in Exhibit A shall be paid by the Owner of Lot 1.

i. Directional Sign Easement Terms and Conditions. The Directional Sign Easement granted hereinabove at Section 2.1.b shall permit TREC to install a directional sign within the immediate area near the highway entrance to the Exhibit A Easement and is subject to the current Town of Ridgway signage codes. RHS shall be solely responsible for the costs of construction, installation and maintenance of TREC's directional and recognition signage, as pre-approved by TREC. Such signage shall be in place prior to closing the existing access.

ARTICLE IV
MISCELLANEOUS PROVISIONS

Section 4.1 Notice. Notices called for under this contract shall only be deemed received if sent by Certified United States Mail or by nationally recognized overnight courier, and shall be deemed received on the day received by recipient and/or recipient's office as evidenced by the executed receipt thereof.
(a) Notice to RHS. Any Notice to RHS, under this agreement shall be effective when received by Adam Dubroff at 68 Bear Cub Drive, Ridgway, CO 81432 and by Robert Goodbinder, 1750 High Street, Denver, CO 80218
(b) Notice to TREC. Any notice to TREC, under this agreement shall be effective when received by Telluride Real Estate Corp. at P.O. Box 1739, 232 West Colorado Ave., Telluride, Colorado 81435 and by Robert Erie, P.O. Box 1247, Telluride, Colorado 81435

Section 4.2 Governing Law. This Agreement shall be governed by the laws of the State of Colorado and shall be construed in accordance therewith.

Section 4.3 Waiver. No provision of this Agreement may be waived except by an agreement in writing signed by the waiving Party. A waiver of any term or provision shall not be construed as a waiver of any other term or provision, or as a continuing waiver of that term or provision.

Section 4.4 Amendment. This Agreement may be amended, altered or revoked at any time, in whole or in part, by a written instrument setting forth such changes, signed by all of the Parties hereto.

Section 4.5 Binding Effect and Entire Agreement. This Agreement shall be binding upon the Parties, their heirs, legal representatives, successors and assigns, and embodies the entire agreement and understanding between the parties with regard to the subject matter thereof. The Parties agree to do any and all things necessary to effectuate the purposes of this Agreement.

Section 4.6 Construction. Throughout this Agreement, the singular shall include the plural, the plural shall include the singular, and the masculine shall include the feminine wherever the context so requires.

Section 4.7 Text to Control. The headings of articles and sections are included solely for convenience of reference. If any conflict between any heading and the text of this Agreement exists, the text shall control.

Section 4.8 Severability. If any provision of this Agreement is declared by any court of competent jurisdiction or any arbitrator to be invalid for any reason, such invalidity shall not affect the remaining provisions, which shall be fully severable, and this Agreement shall be construed and enforced as if such invalid provisions never had been inserted in the Agreement.

Section 4.9 Counterparts. This Agreement may be executed in counterparts, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original, and said counterparts together shall constitute one and the same Agreement.

Section 4.10 Attorney Fees. In the event that a dispute arises out of this Agreement, the prevailing Party's reasonable attorney fees and costs shall be paid by the non-prevailing Party or Parties.

This Agreement is made the day and year first set forth above.

RIDGWAY HOT SPRINGS, L.L.C.

Adam Dubroff, Manager

Telluride Real Estate Corporation

By T.D. Smith

T. D. Smith, President

STATE OF)
COUNTY OF) ss.

The foregoing instrument was acknowledged before me this 7 day of June 2007, by Adam Dubroff as Manager of Ridgway Hot Springs, LLC.

Notary Public

My commission expires 9 Dec 07

(SEAL)

NOTARY PUBLIC Christopher W Sommers STATE OF COLORADO

My Commission Expires 12/9/2007

STATE OF)
COUNTY OF) ss.

The foregoing instrument was acknowledged before me this 7 day of June 2007, by T.D. Smith as President of Telluride Real Estate Corp.

Notary Public

My commission expires 9 Dec 07

(SEAL)

NOTARY PUBLIC Christopher W Sommers STATE OF COLORADO

My Commission Expires 12/9/2007

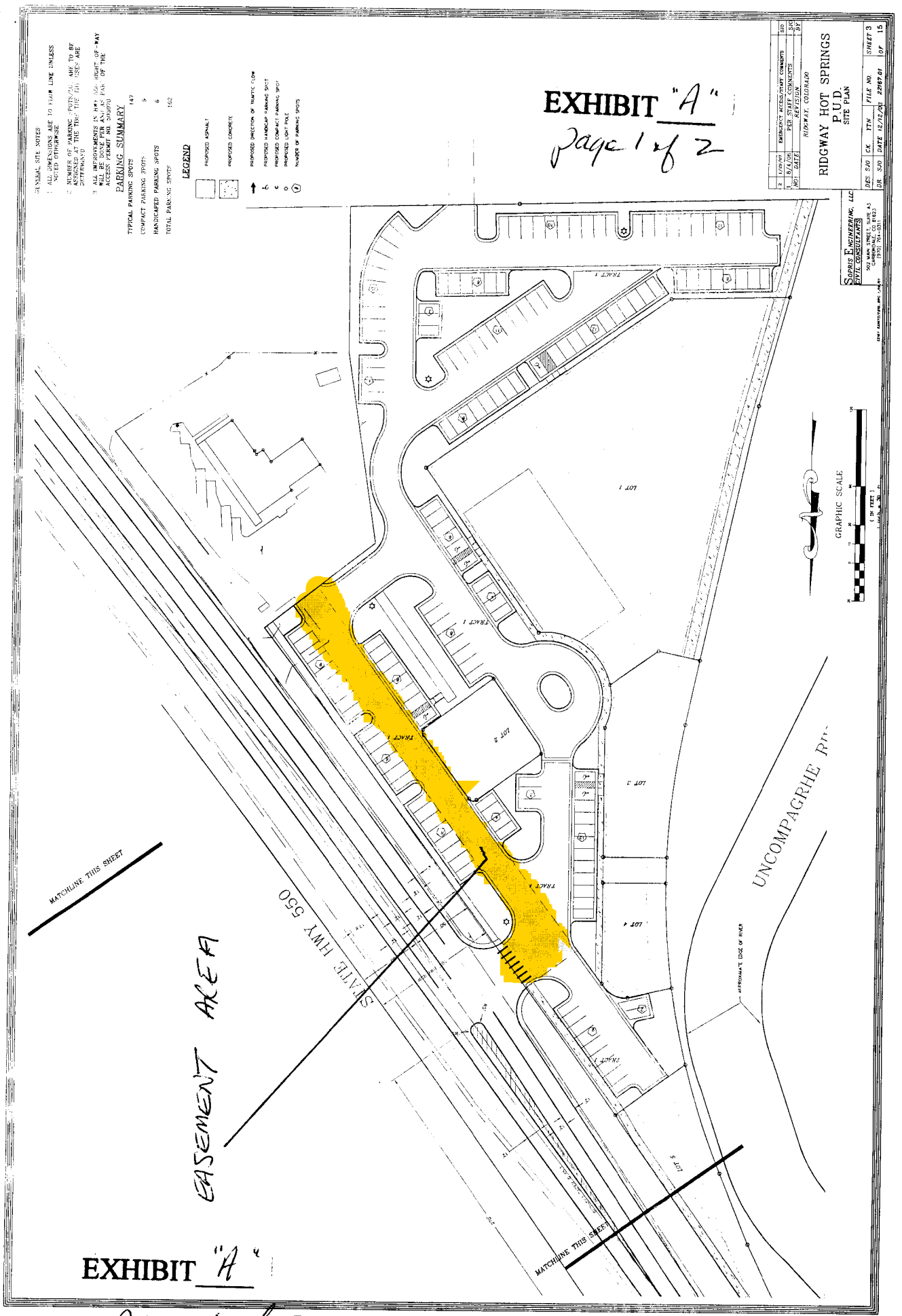


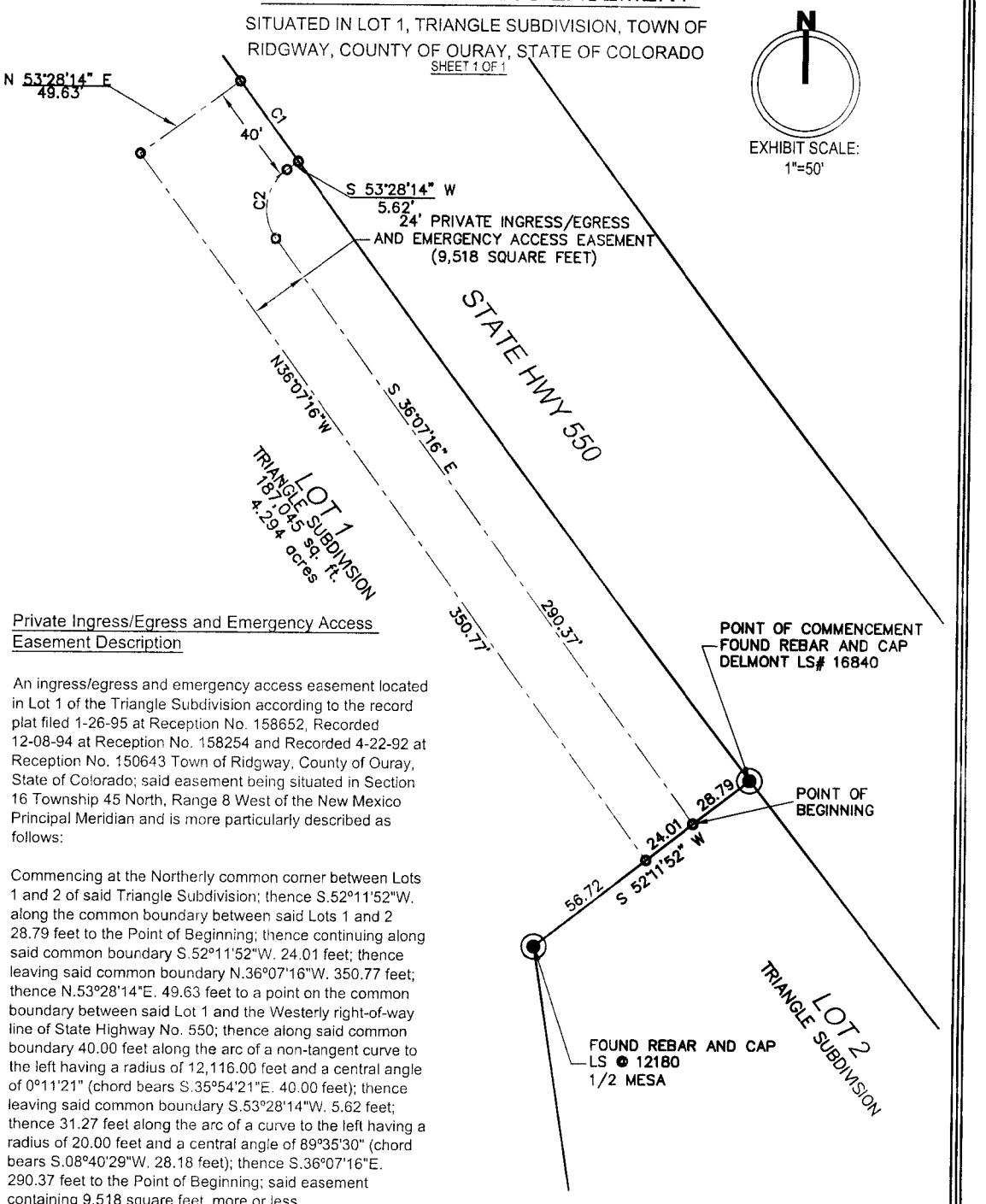
EXHIBIT "A"
Page 1 of 2
GENERAL SITE NOTES
1. ALL DIMENSIONS ARE TO FACE OF LINE UNLESS NOTED OTHERWISE
2. NUMBER OF PARKING SPOTS AND TO BE ASSIGNED AT THE TIME THE USES ARE DETERMINED
3. ALL IMPROVEMENTS IN THE RIGHT OF WAY WILL BE DONE PER AN ACCESS PERMIT NO. 20,070
PARKING SUMMARY
TYPICAL PARKING SPOTS 147
COMPACT PARKING SPOTS 9
HANDICAPED PARKING SPOTS 6
TOTAL PARKING SPOTS 162
LEGEND
PROPOSED ASPHALT
PROPOSED CONCRETE
PROPOSED DIRECTION OF TRAFFIC FLOW
PROPOSED HANDICAP PARKING SPOT
PROPOSED COMPACT PARKING SPOT
PROPOSED LIGHT POLE
NUMBER OF PARKING SPOTS
EMERGENCY ACCESS/FIRST COMMENTS
PER STAFF COMMENTS
RIDGWAY HOT SPRINGS
P.U.D.
SITE PLAN
RIDGWAY, COLORADO
SOPRIS ENGINEERING, LLC
CIVIL CONSULTANTS
GRAPHIC SCALE
(IN FEET)
LOT 1
LOT 2
LOT 3
LOT 4
LOT 5
TRACT 1
STATE HWY 550
UNCOMPAGRE RIV
APPROXIMATE EDGE OF RIVER
MATCHLINE THIS SHEET
EASEMENT AREA
EXHIBIT "A"
Page 1 of 2

EXHIBIT MAP OF

PRIVATE INGRESS/EGRESS AND EMERGENCY ACCESS EASEMENT

SITUATED IN LOT 1, TRIANGLE SUBDIVISION, TOWN OF RIDGWAY, COUNTY OF OURAY, STATE OF COLORADO

SHEET 1 OF 1



Private Ingress/Egress and Emergency Access Easement Description

An ingress/egress and emergency access easement located in Lot 1 of the Triangle Subdivision according to the record plat filed 1-26-95 at Reception No. 158652, Recorded 12-08-94 at Reception No. 158254 and Recorded 4-22-92 at Reception No. 150643 Town of Ridgway, County of Ouray, State of Colorado; said easement being situated in Section 16 Township 45 North, Range 8 West of the New Mexico Principal Meridian and is more particularly described as follows:

Commencing at the Northerly common corner between Lots 1 and 2 of said Triangle Subdivision; thence S.52°11'52"W. along the common boundary between said Lots 1 and 2 28.79 feet to the Point of Beginning; thence continuing along said common boundary S.52°11'52"W. 24.01 feet; thence leaving said common boundary N.36°07'16"W. 350.77 feet; thence N.53°28'14"E. 49.63 feet to a point on the common boundary between said Lot 1 and the Westerly right-of-way line of State Highway No. 550; thence along said common boundary 40.00 feet along the arc of a non-tangent curve to the left having a radius of 12,116.00 feet and a central angle of 0°11'21" (chord bears S.35°54'21"E. 40.00 feet); thence leaving said common boundary S.53°28'14"W. 5.62 feet; thence 31.27 feet along the arc of a curve to the left having a radius of 20.00 feet and a central angle of 89°35'30" (chord bears S.08°40'29"W. 28.18 feet); thence S.36°07'16"E. 290.37 feet to the Point of Beginning; said easement containing 9,518 square feet, more or less.

CURVE TABLE

CURVE	LENGTH	RADIUS	TANGENT	CHORD	BEARING	DELTA
C1	40.00'	12116.00'	20.00'	40.00'	S 35°54'21" E	0°11'21"
C2	31.27'	20.00'	19.86'	28.18'	S 08°40'29" W	89°35'30"

SOPRIS ENGINEERING - LLC

CIVIL CONSULTANTS
502 MAIN STREET, SUITE A3
CARBONDALE, COLORADO 81623
(970) 704-0311
sopris@sopriseng.com

EXHIBIT "A"
Page 2 of 2

22167 05/09/07 22167-ACCESS EXHIBIT.DWG

RECEPTION#: 201106, 07/13/2009 at 11:19:51 AM, 1 OF 3 PAGES, Total Fees: $16.00 MICHELLE NAUER, OURAY COUNTY, CO. CLERK & RECORDER

EXHIBIT 4

Recording information:

AMENDMENT / CLARIFICATION TO EASEMENT AGREEMENT

This document amends the EASEMENT AGREEMENT recorded June 11th 2007 at reception #195143 of the Ouray County Records, and this document furthermore is to clarify the intention of the parties at the time of entering into said 2007 agreement.

This AMENDMENT/CLAIRIFICATION TO EASEMENT AGREEMENT is between;

the **Telluride Real Estate Company, LLC**,
located at 232 West Colorado Ave, Telluride, Colorado 81435 (hereafter "TREC")

and

the **Ridgway Hot Springs, LLC**
located at 68 Bear Cub Drive, Ridgway, Colorado 81432 (hereafter "RHS").

The Easement Agreement to be hereby Amended/ Clarified is regarding property located at **Lot 1 and Lot 2 of the Triangle Subdivision located within the town of Ridgway, Colorado as recorded at reception # 150643 of the Official Records of Ouray County, Colorado.**

RHS owns Lot 1 and TREC owns Lot 2 of said Triangle Subdivision. The above identified agreement provides for ingress and egress for said Lot 2 across a portion of said Lot 1. This Agreement is to clarify the parties' understanding and intent regarding the Easement Agreement recorded at reception # 195143, which was intended to provide that Lot 2 shall continue to have uninterrupted access across Lot 1 to Highway 550 at an access point approved by the Colorado Department Of Transportation (hereafter "CDOT").

Circumstances have changed for the parties since the June 7th 2007 execution of the above identified Easement Agreement. TREC is attempting to sell all of its interest in Lot 2 to a third party and therefore desires to identify specific legal access rights to Highway 550 for said Lot 2 in conformity with the present requirements of CDOT. Likewise the slowing economy has delayed the initial starting development of the RIDGWAY HOT SPRINGS development, and it's building of the new easement access interchange described in said 2007 Easement Agreement.

Therefore, to the extent that it was not clear before, RHS hereby reaffirms and grants to TREC, and its successors in interest (hereafter referred to as TREC & Successors), the right to the continued use of the non exclusive perpetual easement 30 feet in width identified as the "30' access easement for Lot 2" upon the March 1992 TRIANGLE SUBDIVISION PLAT recorded on April 22nd 1992 at Reception # 150643 of the Ouray County Records. Said easement shall continue to be for ingress and egress,

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Recording information:

and also construction and maintenance by TREC & Successors of a driveway access for Lot 2. Said easement location shall begin at the southernmost point of Lot 1 at which is also immediately adjacent to Highway 550. Said easement shall then continue by proceeding northwesterly along its property line adjacent to Highway 550 for approximately 200 feet, along the same boundaries (for that distance) as the Triangle Subdivision Plat easement. This access is as was dedicated as an easement for Lot 2 by the recording of the Triangle Subdivision Plat in 1992, and shall continue to be the access easement route for Lot 2 until the new easement as depicted in Exhibit A of the Easement Agreement recorded at reception # 195143 is built by Lot 1 and ready for use by Lot 2, as further specifically described in the June 7th 2007 Easement Agreement.

Additionally, as set forth in said June 7th 2007 easement agreement, RHS hereby grants and conveys to TREC & Successors a perpetual easement to install its identifying directional sign prominently displayed on the easement described above at or about the access point to Highway 550 for Lot 2. ~~Said Signage easement shall include the right to install an underground electrical line for sign lighting.~~ AD

This amendment / clarification to said easement agreement dated June 7th 2007 shall be perpetual and the benefits and burdens thereof shall run with the title to both of the above described Lots 1 and 2. When the new parking lot and the access easement area which are identified in the Easement Agreement of June 7th 2007 are improved and resurfaced with asphalt, then the access easement described in Attachment A of said agreement of June 7th 2007 will continue thereafter to be the controlling document in force and will define the benefits and burdens of the owners of Lot 1 and Lot 2, and the easement granted to Lot 2 in the Triangle Subdivision Plat of 1992 would at that time be automatically relinquished by the then owners of Lot 2 without any further action by said owners of Lot 2.

Additionally, by signing below RHS hereby grants to TREC & Successors, a surface lease of the easement area from the Lot 2 property line to the north edge of the above described CDOT easement apron (approximately 200 feet). This surface lease is for the specific purpose of access and signage, and repair and maintenance of the access surface for access and signage. This lease shall cost $10 per year with the yearly term to be from the date set forth below as the signature date for RHS, and continue for each consecutive year thereafter. The first payment for this lease will not be due until May 15th 2009 and then each successive year thereafter with the lease payment due on the day of execution by RHS below. This lease is fully assignable by TREC to a purchaser of Lot 2. Payments shall be made to the owner of Lot 1 at the address set forth below, until further notice.

Finally it is clarified and agreed that TREC & Successors, will be responsible for: the development and maintenance of the above identified 200 feet of land surface of said 1992 Triangle Subdivision Plat easement; plus the paving and restriping costs of

Recording information:

the CDOT approved highway access apron; plus the building and maintenance of the signage for Lot 2; and, other costs of maintaining the surface of said 1992 easement described above.

Ridgway Hot Springs, LLC

by _____, MANAGER
Adam Dubroff, Manager
Mailing Address 38 Bear Cub Dr
Ridgway, CO 81432

Telluride Real Estate Company LLC

by _____
Title: Dave Flatt, Managing Member

State of Texas)
County of Tarrant) ss

DEVONNA WALKER HOLLAND
Notary Public
STATE OF TEXAS
My Comm. Exp. August 21, 2011

The above Amendment / Clarification To Easement Agreement was signed before me this 9th day of ~~April~~ July 2009, by Adam Dubroff as manager of the Ridgway Hot Springs LLC.

My commission expires 8-21-2011 _____
Notary Public

State of Colorado)
County of San Miguel) ss

The above Amendment / Clarification To Easement Agreement was signed before me this 10 day of ~~April~~ July 2009, by Dave Flatt as Managing Member of the Telluride Real Estate Company LLC.

My commission expires 3-26-2012 _____
Notary Public

ANNETTE LALLA
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 03-26-2012