

USE LICENSE AND AGREEMENT TO CONVEY REMAINDER PARCEL

THIS USE LICENSE AND AGREEMENT TO CONVEY REMAINDER PARCEL ("Agreement") is made and entered into this *22nd* day of June, 2007 by and between Alpine Mountain Ranch at Steamboat Springs, LLLP, a Colorado limited liability partnership ("Developer") and Alpine Mountain Ranch Association, a Colorado nonprofit corporation ("Association").

RECITALS

A. Developer is the owner of the real property subject to the final plat of Alpine Mountain Ranch, recorded in the records of the Clerk and Recorder of Routt County, Colorado on December 29, 2006, at Reception No. 650154 (the "Plat") and the Declaration of Covenants, Conditions, Restrictions and Easements for Alpine Mountain Ranch recorded on December 29, 2006, at Reception No. 650155 (the "Declaration").

B. Developer has created a residential planned community on the portion of the property dedicated for such use on the Plat ("Alpine Mountain Ranch") to be governed by the Association pursuant to Colorado Revised Statutes 38-33.3-101 et seq.

C. Developer has entered into a development agreement with Routt County, Colorado (the "County") dated December 19, 2006 which restricts the development or use of land within Alpine Mountain Ranch (the "Development Agreement").

D. Developer, and the Colorado Division of Wildlife agreed to a wildlife mitigation plan dated August 18, 2006 (the "Wildlife Mitigation Plan").

E. Developer is also the owner of certain real property including Contingent Lots (as shown on the Plat), the areas sometimes referred to as the Wildlife Preserve, Upland Preserve, Riparian and Hay Meadow Preserve, and all property shown on the Plat which is not a Lot and which is not subject to the Declaration, which property is shown collectively as the Remainder Parcel on the Plat.

F. Developer may create additional lots on the Contingent Lots, which will become subject to the regulations of the County (the "County Regulations") as set forth in the Declaration.

G. The Alpine Mountain Ranch Metropolitan District, a Colorado quasi-municipal corporation (the "District") has been established to provide services within and outside Alpine Mountain Ranch. The Remainder Parcel and the improvements located thereon, excluding the Contingent Lots which are converted, may be conveyed to the District.

H. Developer desires to grant and Association desires to receive a license to use the Remainder Parcel; in addition, Developer desires to convey and Association desires to acquire in the future all portions of the Remainder Parcel not converted to Lots or conveyed to the District.

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Use License.

a. Grant of License. Developer hereby grants to Association an irrevocable license (the "License") for the use of the Remainder Parcel subject to all of the conditions and responsibilities set forth in the Declaration, the Development Agreement, the Wildlife Mitigation Plan, any conservation easements, and the County Regulations.

b. Modification and Termination of License. Notwithstanding the provisions of paragraph 1.a. above, Developer shall have the absolute right to modify the License at any time only for the purpose of excluding the Contingent Lots from the property subject to the License. However, this License shall automatically terminate with respect to any portion of the Remainder Parcel conveyed to the Association or the District.

c. Maintenance. Except to the extent such services or activities are undertaken by the District, the Association shall be responsible for (a) maintaining, repairing, improving and replacing fences along the boundary of the Remainder Parcel, not including any Lot(s) therein; (b) maintaining, improving and landscaping along (and in the median of) all roads located within the Remainder Parcel; (c) maintaining, managing and removing decadent shrubs, noxious weeds, or other vegetation within the Remainder Parcel, in accordance with the Wildlife Mitigation Plan; (d) maintaining roads within the Remainder Parcel, and (e) maintaining the agricultural status and nature of the Remainder Parcel, including but not limited to maintaining the quality and productivity of hay meadows and providing for the production of hay thereon and maintaining the quality of grazing areas and leasing those areas for the grazing of livestock. Except to the extent the District is responsible for such expenses, the Association shall be responsible for all expenses associated with the maintenance of the Remainder Parcel and all such expenses shall be assessed and allocated pursuant to the Declaration. The Association may delegate any of these responsibilities to the District provided that the District accepts these responsibilities.

d. Release of Liability and Indemnity. To the fullest extent permitted by law, Association hereby unconditionally and forever relieves, releases and discharges Developer, its direct and indirect partners, and each of their respective officers, directors, shareholders, members, partners, agents and employees (collectively, the "Indemnitees") from any and all losses, liabilities, claims, demands, damages, suits, causes of action, judgments, costs and expenses whatsoever, whether known or unknown, that Association may now or at any time in the future have, whether from loss or damage to person or property or otherwise, arising from, on account of or in any way connected with Association's use of the Remainder Parcel or any activities of Association, its members, agents, contractors, employees, invitees or licensees in or about the Remainder Parcel, AND, IN EACH CASE, WHETHER OR NOT ARISING OR RESULTING IN ANY WAY FROM THE NEGLIGENCE OF ANY OF THE INDEMNITEES. To the fullest extent permitted by law, Association shall indemnify, defend and hold the

Indemnites harmless from and against any and all losses, liabilities, claims, demands, damages, suits, causes of action, judgments, costs and expenses (including, without limitation, attorneys' fees and disbursements and court costs) resulting from, on account of or in any way connected with any act or omission of Association, its agents, contractors, employees, invitees or licensees, and accident, injury or damage whatsoever occurring in or about the Remainder Parcel or any use of the Remainder Parcel by Association or anyone claiming under or through Association, AND, IN EACH CASE, WHETHER OR NOT ARISING OR RESULTING IN ANY WAY FROM THE NEGLIGENCE OF THE INDEMNITEES. This release of liability and indemnification shall be governed by the laws of the State of Colorado and shall be binding upon heirs, legal representatives and successors of Association and shall inure to the benefit of the heirs, legal representatives and assigns of the Indemnites. The provisions of this paragraph will survive the termination of this Agreement of the License.

e. Insurance. Association shall include the Remainder Parcel under all insurance policies that cover the Common Area, as that term is defined in the Declaration and said policies shall name Developer as an additional insured.

2. Conveyance of Remainder Parcel

a. Conditions of Conveyance. Developer shall have the absolute right to convert all or some of the Contingent Lots to Lots at any time and from time to time up to and including December 31, 2016 subject to the County Regulations. No later than January 2, 2017 Developer shall convey to the Association or the District the Remainder Parcel, less the Contingent Lots which have been converted to Lots and any portion of the Remainder Parcel or improvements thereon previously conveyed to the Association or District. To the extent such conveyance is to the Association, the Association shall be obligated to accept unconditionally such conveyance.

b. Early Conveyance. Developer may convey all or any portion of the Remainder Parcel to the Association at any time prior to January 2, 2017, excluding any converted Contingent Lots and any portion thereof conveyed to the District, and to the extent such conveyance is to the Association, the Association shall be obligated to accept unconditionally such conveyance.

c. Title and Consideration. Any conveyance of all or any portion of the Remainder Parcel authorized hereunder to the District or to the Association shall be without consideration and subject to no monetary liens or encumbrances.

d. No later than the date that the Remainder Parcel, excluding the converted Contingent Lots, is conveyed to the District or the Association, the Developer shall convey the water rights described in Exhibit "A" to this Agreement to the District, free of all monetary liens.

3. Agricultural License. Developer hereby grants to the Association a license for each of the Lots in Alpine Mountain Ranch outside the Building Envelopes on such Lots for the purpose of ranching and agricultural operations over the designated area. The Association may

exercise such agricultural license in its sole and absolute discretion without necessitating the input of any Owner and may by lease or other authorization allow ranching and agricultural operations to be conducted by a ranch operator or other agricultural tenant in the licensed area. Any Owner of a Lot may revoke the license herein granted with respect to such Lot upon not less than 30 days written notice to the Association. Until such time as a building permit has been issued by the applicable local building authority, the agricultural license herein granted shall extend over the Building Envelope.

4. General Provisions

a. Remedies. The parties expressly agree that in the event of the breach or threatened breach of this Agreement, in addition to the right to damages and all other rights and/or remedies which Developer may have, at law, in equity, or otherwise, Developer will be entitled to injunctive or other equitable relief compelling specific performance of, and compliance with this License Agreement. No remedy referred to in this Agreement is intended to be exclusive, but each will be cumulative and in addition to any other remedy referred to herein or otherwise available at law, in equity or otherwise. At its election, Developer may exercise at any time all or any combination of its remedies successively or concurrently.

b. Attorneys' Fees The prevailing party in any litigated or arbitrated dispute arising out of this Agreement will be entitled to recover its reasonable attorneys' fees and costs.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to become effective as of the date first written above.

ALPINE MOUNTAIN RANCH AT STEAMBOAT SPRINGS, LLLP,
a Colorado limited liability limited partnership

By: Steamboat Alpine Development, LLC,
a Colorado limited liability company

Its: General Partner

By: 

Name: ANDREW P. DALY

Title: Manager

ALPINE MOUNTAIN RANCH ASSOCIATION,
a Colorado nonprofit corporation

By: 

Name: ANDREW P. DALY

Its: PRESIDENT

STATE OF COLORADO)
)ss.
COUNTY OF ROUTT)

The foregoing instrument was acknowledged before me this 22nd day of June, 2007, by Andrew P. Daly as Manager of Steamboat Alpine Development, LLC, a Colorado limited liability company, General Partner of Alpine Mountain Ranch at Steamboat Springs, LLLP, a Colorado limited liability limited partnership.

Witness my hand and official seal.
My commission expires: 3/7/2009

Charlene K. Mighton
Notary Public
**Charlene K. Mighton
Notary Public
State Of Colorado**

STATE OF COLORADO)
)ss.
COUNTY OF ROUTT)

My Commission Expires 3/7/2009

The foregoing instrument was acknowledged before me this 22nd day of June, 2007, by Andrew P. Daly as President of Alpine Mountain Ranch Association, a Colorado nonprofit corporation.

Witness my hand and official seal.
My commission expires: 3/7/2009

Charlene K. Mighton
Notary Public
**Charlene K. Mighton
Notary Public
State Of Colorado**

My Commission Expires 3/7/2009