

EASEMENT AGREEMENT
(Access and Utilities)

THIS AGREEMENT is made this 8 day of October, 1987 by and between COLORADO FIRST CONSTRUCTION CO., a Colorado corporation, whose address is Drawer 98, Dillon, Colorado 80435 (hereinafter "Grantor") and WATCH HILL CONDOMINIUM ASSOCIATION, whose address is c/o Wildernest Real Estate, P.O. Box C, Silverthorne, Colorado 80498 (hereinafter "Grantee").

The following recitals of fact are a material part of this instrument:

A. Grantor is the owner of a tract of land described in Exhibit A hereto and hereinafter referred to as "Parcel 1".

B. Grantee is the owner of an adjacent tract of land described in Exhibit B hereto and hereinafter referred to as "Parcel 2".

WHEREAS, Grantor desires to grant Grantee an easement for utilities, access or right of way over and across a portion of Parcel 1.

NOW THEREFORE, for good and valuable consideration and the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the following grants, agreements, covenants and restrictions are made:

1. GRANT OF EASEMENT BY GRANTOR. Grantor hereby grants to Grantee and its members, their heirs, successors and assigns, an easement for ingress and egress over and across that portion of Parcel 1 as described on Exhibit C attached hereto and incorporated herein by this reference (hereinafter the "Easement Premises").

Grantor hereby further grants to the Grantee non-exclusive twenty five foot easements for the installation, maintenance and use of utility lines serving Watch Hill Condominiums; these utility easements are granted on and beneath the surface of the grounds (and are centered upon the location) where the existing water, sewer, electrical, telephone and television cable lines are now installed. Grantee or the parties providing and maintaining utilities shall have the right to enter upon the easements at any reasonable time for the maintenance, repair and servicing of these utility lines. In case of damage or destruction to Parcel 1 due to repair or maintenance of a utility service connection or line located within Parcel 1 by Grantee or its contractors, all expenses and liabilities for repair and maintenance to Parcel 1 shall be borne solely by the Grantee. The Grantor may, within three (3) days of damage or destruction, demand repair or restoration of the damaged portion to such condition as applied prior to the damage and if the Grantee does not commence such repair or reconstruction within seven (7) days of such damage or destruction, the Grantor may complete such repairs or maintenance at the expense of the Grantee.

2. COST OF IMPROVEMENTS AND MAINTENANCE. It is further understood and agreed that, prior to the issuance of a Certificate of Occupancy for any improvements constructed upon Parcel 1, Grantee shall be responsible for all costs of improvements to or maintenance of the Easement Premises, including snow removal; provided, however, that Grantor shall be responsible for the cost of all improvements constructed by it in the Easement Premises and shall be liable for all repair, maintenance, or other expenses necessitated due to the use of (or damage to) the Easement Premises by Grantor, its employees, contractors, agents, or invitees. Following the issuance of a Certificate of Occupancy for any improvements constructed upon Parcel 1 each party shall thereafter be responsible for sharing the costs of improvements to or maintenance of the Easement Premises according to the following formula:

The total costs of improvements to or maintenance of the Easement Premises shall be divided by the total number of condominium units upon Parcels 1 and 2.

Notwithstanding the foregoing, Grantee shall not be liable for the cost of the initial paving of the Easement Premises unless it expressly agrees to be so liable in writing. Unless otherwise agreed by Grantor and Grantee, a person or company to improve, maintain or repair the Easement Premises shall be selected by a majority vote of the owners of condominium units upon Parcels 1 and 2, each condominium unit on Parcel 1 having one vote and the Grantee having 22 votes.

3. INDEMNIFICATION. Each party agrees to indemnify and hold the other party harmless from and against any and all claims liabilities, losses, damages, costs and expenses including attorney's fees, which may be incurred in connection with the indemnifying party's construction, activities, usage or enjoyment of the Easement Area or ingress and egress and utilities easements granted herein (which indemnity shall encompass, without limitation, any claims for any mechanic's or materialmen's liens, and personal injury or property damage resulting from or related to any construction, maintenance or other work related to the ingress or egress and utilities easement).

4. USE OF EASEMENT PREMISES. Use of the Easement Premises is not confined to the present uses of Parcel 2. Exclusive use of the Easement Premises is not hereby granted.

5. DIVISION OF DOMINANT TENEMENT. If Parcel 2 is hereafter divided by separation of ownership or by lease, all parts shall enjoy the benefit of the easements hereby granted.

6. RELOCATION OF EASEMENT. In the event of the development of Parcel 1, which development would require the relocation or narrowing of the Easement Premises or utility easements, Grantor reserves the right to relocate or narrow the easement premises upon Parcel 1 with the consent of Grantee, as follows:

(a) It shall first notify the Grantee of the proposed relocation or width-reduction by mailing notice to the Grantee at its last known address. The notice shall contain a site plan showing the proposed location, pertinent plans and specifications, and probable commencement and completion dates, and shall be mailed, postage prepaid, at least 60 days prior to commencement of relocation.

(b) Grantee shall review the notice and shall consent or raise objections to the proposed relocation within forty-five days of receipt. Grantee may not unreasonably refuse to grant consent to the realignment or width-reduction. If Grantee fails to respond to the notice within forty-five days of receipt, Grantee's consent to the realignment or width-reduction shall be conclusively presumed.

(c) Grantor shall, at its sole expense, improve the new easement premises with a driveway or utilities substantially similar in type and quality to the ones replaced. Construction shall be phased or otherwise conducted so as to minimize any inconvenience to Grantee's members or their guests, or disruption of access or utility service to Watch Hill Condominiums. At no time will access to Watch Hill Condominiums be totally blocked for use by two wheel drive automobiles.

(d) At the completion of the work, Grantor shall record an easement grant in recordable form granting the new easement to the Grantee, shall cause the same to be delivered to the Grantee, and shall furnish the Grantee evidence of title satisfactory to the Grantee showing an unencumbered easement in such Grantee, whereupon the change in location of the easement premises shall become effective, and appropriate releases of the prior location shall be executed in recordable form and exchanged between the parties hereto, their successors or assigns.

7. ATTORNEY'S FEES. Either party may enforce this instrument by appropriate action and should it prevail in such litigation it shall recover as part of its costs a reasonable attorney's fee.

8. CONSTRUCTION. The rule of strict construction does not apply to this grant. This grant shall be given a reasonable construction so that the intention of the parties to confer a usable right of enjoyment is carried out.

9. RUNNING OF BENEFITS AND BURDENS. All provisions of this instrument, including the benefits and burdens run with the land and are binding upon and inure to the heirs and assigns, successors, tenants and personal representatives of the parties hereto.

10. NOTICE. Either party may lodge written notice of change of address with the other. All notices shall be sent by U.S. mail and shall be deemed given when placed in the mail. The affidavit

of the person depositing the notice in the U.S. Post Office receptical shall be evidence of such mailing.

11. Prior Easement. Upon execution and recordation, this Easement Agreement will terminate and release the prior easement granted by a deed dated July 27, 1984 and recorded July 30, 1984 under Reception No. 281610.

GRANTOR: COLORADO FIRST CONSTRUCTION CO.,
a Colorado corporation

Date: 10-15-87

By: E.J. Olbright, President

GRANTEE: WATCH HILL CONDOMINIUM ASSOCIATION,
a Colorado non-profit corporation

Date: 10-20-87

By: Walter F. Adams III
Title: Pres.

STATE OF COLORADO)
COUNTY OF SUMMIT) ss.

Subscribed and sworn to before me this 15th day of October, 1987 by E.J. Olbright as President of Colorado First Construction Co. PUD.

WITNESS my hand and official seal.
My commission expires June 14, 1989

Linda N. Wilson
Notary Public

STATE OF COLORADO)
COUNTY OF SUMMIT) ss.

Subscribed and sworn to before me this 20th day of October, 1987 by Walter F. Adams III as President of Watch Hill Condominium Association.

WITNESS my hand and official seal.
My commission expires Sept 16, 1991

Sharon L. Linder
Notary Public

Exhibit A
Legal Description of
Colorado First Parcel

A TRACT OF LAND BEING ALL OF LOT 29A, A RESUBDIVISION OF LOT 29, WILDERNEST, FILING NO. 2, SUMMIT COUNTY, COLORADO, ACCORDING TO THE PLAT RECORDED UNDER RECEPTION NUMBER 205561 IN THE OFFICE OF THE SUMMIT COUNTY CLERK AND RECORDER, CONTAINING 4.59 ACRES.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED TRACT OF LAND:

A TRACT OF LAND BEING A PORTION OF LOT 29A, A RESUBDIVISION OF LOT 29, WILDERNEST, FILING NO. 2, SUMMIT COUNTY, COLORADO, ACCORDING TO THE PLAT RECORDED IN THE OFFICE OF THE SUMMIT COUNTY CLERK AND RECORDER AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 29A; THENCE ALONG THE SOUTH LINE OF SAID LOT 29A S 89° 38' 26" W A DISTANCE OF 180.02 FEET; THENCE N 04° 10' 00" W A DISTANCE OF 120.00 FEET; THENCE S 67° 38' 00" E A DISTANCE OF 45.00 FEET; THENCE N 00° 04' 00" W A DISTANCE OF 84.14 FEET; THENCE N 89° 46' 00" E A DISTANCE OF 146.73 FEET TO A POINT ON THE EAST LINE OF SAID LOT 29A; THENCE ALONG SAID EAST LINE S 00° 09' 04" E A DISTANCE OF 106.62 FEET TO THE POINT OF BEGINNING; CONTAINING 31,511 SQUARE FEET OR 0.723 ACRES.

AND FURTHER EXCEPTING THEREFROM:

A TRACT OF LAND BEING A PORTION OF LOT 29A, A RESUBDIVISION OF LOT 29, WILDERNEST, FILING NO. 2, SUMMIT COUNTY, COLORADO, ACCORDING TO THE PLAT RECORDED IN THE OFFICE OF THE SUMMIT COUNTY CLERK AND RECORDER AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 29A; THENCE ALONG THE SOUTH LINE OF SAID LOT 29A S 89° 38' 26" W A DISTANCE OF 179.99 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING S 89° 38' 26" W A DISTANCE OF 196.91 FEET TO THE SOUTHWEST CORNER OF SAID LOT 29A; THENCE N 00° 09' 04" W ALONG THE WEST LINE OF SAID LOT 29A A DISTANCE OF 253.60 FEET; THENCE S 77° 10' 49" E A DISTANCE OF 186.87 FEET; THENCE S 04° 10' 00" E A DISTANCE OF 24.00 FEET; THENCE N 89° 46' 00" E A DISTANCE OF 46.30 FEET TO THE NORTHWESTERLY CORNER OF WATCH HILL CONDOMINIUMS PHASE ONE, BUILDING A, A RECORDED CONDOMINIUM; THENCE ALONG THE WESTERLY BOUNDARY OF SAID WATCH HILL CONDOMINIUMS PHASE ONE, BUILDING A, FOR THE FOLLOWING THREE (3) COURSES:

- 1) S 00° 04' 00" E A DISTANCE OF 84.14 FEET;
- 2) N 67° 38' 00" W A DISTANCE OF 45.00 FEET;
- 3) S 04° 10' 00" E A DISTANCE OF 120.46 FEET TO THE POINT OF BEGINNING, CONTAINING 47,164 SQUARE FEET OR 1.083 ACRES.

Exhibit B
Legal Description of
Watch Hill Condominiums

I. Building A

A TRACT OF LAND BEING A PORTION OF LOT 29A, A RESUBDIVISION OF LOT 29, WILDERNEST, FILING NO. 2, SUMMIT COUNTY, COLORADO, ACCORDING TO THE PLAT RECORDED IN THE OFFICE OF THE SUMMIT COUNTY CLERK AND RECORDER AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 29A; THENCE ALONG THE SOUTH LINE OF SAID LOT 29A S 89° 38' 26" W A DISTANCE OF 180.02 FEET; THENCE N 04° 10' 00" W A DISTANCE OF 120.00 FEET; THENCE S 67° 38' 00" E A DISTANCE OF 45.00 FEET; THENCE N 00° 04' 00" W A DISTANCE OF 84.14 FEET; THENCE N 89° 46' 00" E A DISTANCE OF 146.73 FEET TO A POINT ON THE EAST LINE OF SAID LOT 29A; THENCE ALONG SAID EAST LINE S 00° 09' 04" E A DISTANCE OF 186.62 FEET TO THE POINT OF BEGINNING; CONTAINING 31,511 SQUARE FEET OR 0.723 ACRES.

II. Building B

A TRACT OF LAND BEING A PORTION OF LOT 29A, A RESUBDIVISION OF LOT 29, WILDERNEST, FILING NO. 2, SUMMIT COUNTY, COLORADO, ACCORDING TO THE PLAT RECORDED IN THE OFFICE OF THE SUMMIT COUNTY CLERK AND RECORDER AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 29A; THENCE ALONG THE SOUTH LINE OF SAID LOT 29A S 89° 38' 26" W A DISTANCE OF 179.99 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING S 89° 38' 26" W A DISTANCE OF 196.91 FEET TO THE SOUTHWEST CORNER OF SAID LOT 29A; THENCE N 00° 09' 04" W ALONG THE WEST LINE OF SAID LOT 29A A DISTANCE OF 253.60 FEET; THENCE S 77° 10' 49" E A DISTANCE OF 186.87 FEET; THENCE S 04° 10' 00" E A DISTANCE OF 24.00 FEET; THENCE N 89° 46' 00" E A DISTANCE OF 46.38 FEET TO THE NORTHWESTERLY CORNER OF WATCH HILL CONDOMINIUMS PHASE ONE, BUILDING A, A RECORDED CONDOMINIUM; THENCE ALONG THE WESTERLY BOUNDARY OF SAID WATCH HILL CONDOMINIUMS PHASE ONE, BUILDING A, FOR THE FOLLOWING THREE (3) COURSES:

- 1) S 00° 04' 00" E A DISTANCE OF 84.14 FEET;
- 2) N 67° 38' 00" W A DISTANCE OF 45.00 FEET;
- 3) S 04° 10' 00" E A DISTANCE OF 120.46 FEET TO THE POINT OF BEGINNING, CONTAINING 47,164 SQUARE FEET OR 1.083 ACRES.

EXHIBIT C
Legal Description of Easement Premises
(Access Easement)

A strip of land being a twenty-four foot easement for purposes of access, ingress, and egress across a portion of Lot 29A, A Resub-division of Lot 29, Wildercrest, Filing No. 2, Summit County, Colorado, according to the plat recorded in the office of the Summit County Clerk and Recorder; the centerline of said twenty-four foot strip is described as follows:

Commencing at the Northwest corner of said Lot 29A; thence along the South right-of-way line of Ryan Gulch Road S 78°25'03" E a distance of 188.92 feet to the POINT OF BEGINNING of said centerline; thence along said centerline for the following six (6) courses:

- 1.) S 11°34'57" W a distance of 42.00 feet;
- 2.) S 78°25'03" E a distance of 118.50 feet;
- 3.) 251.33 feet along the arc of a curve to the right having a central angle of 180°00'00" and a radius of 80.00 feet;
- 4.) N 28°25'03" W a distance of 156.89 feet;
- 5.) 217.80 feet along the arc of a curve to the left having a central angle of 169°46'57" and a radius of 73.50 feet;
- 6.) S 68°12'00" E a distance of 179.20 feet to a point on the west line of Phase I, Building A, Watch Hill Condominiums, being the POINT OF TERMINUS of said easement, whence the Southeast corner of said Lot 29A bears N 00°04'00" W a distance of 53.16 feet, N 89°46'00" W a distance of 146.73 feet to the East line of said Lot 29A, and S 00°09'04" E a distance of 186.62 feet.

TOGETHER WITH a snow clearing and stacking easement commencing at the boundaries at the above-described access easement and extending to a total of 25 feet on each side of the above-described centerline. This snow clearing and stacking easement shall not impair the ability of the owner of the affected area to establish parking spaces, landscaping, or other uses in connection with the development of the servient tenement upon the designation of alternate snow stacking areas which comply with applicable regulations of Summit County, Colorado and any governmental or quasi-governmental agency having jurisdiction.

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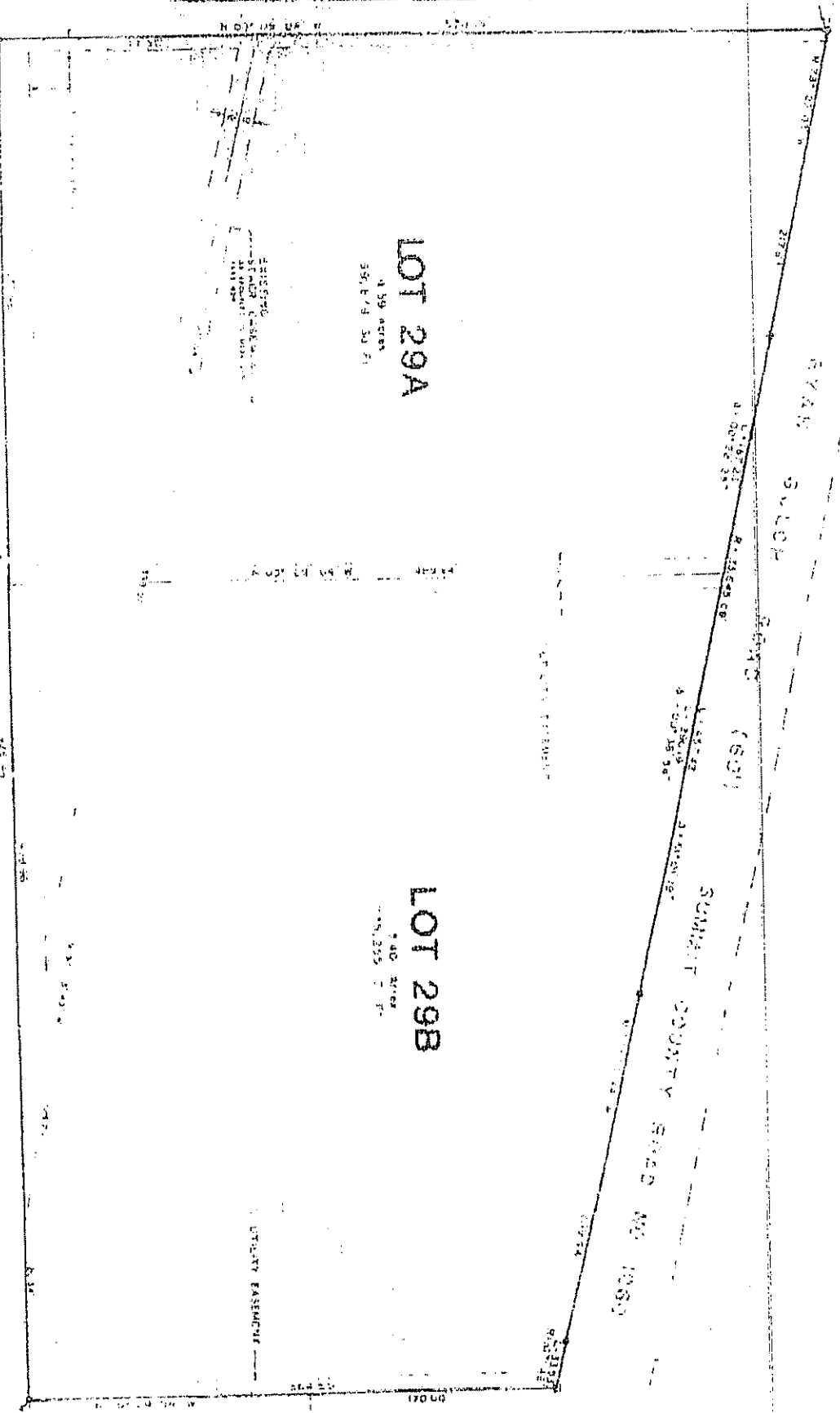
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LOT 29A

4.59 ACRES
59.67 S 34.71

LOT 29B

4.40 ACRES
59.25 S 34.71

VICINITY MAP

- LEGEND
- Paved Highway 1/2" = 40' ft
 - Paved Highway 1/4" = 20' ft
 - Paved Highway 1/8" = 10' ft
 - Paved Highway 1/16" = 5' ft