

MEMORANDUM OF PRE-ANNEXATION AGREEMENT ✓

(Between the Town of Telluride and
Brown Homestead Homeowners' Association, Inc.)

TO WHOM IT MAY CONCERN:

Please take notice that on even date herewith the Town of Telluride and the Brown Homestead Condominiums Homeowners' Association, Inc., a Colorado corporation and others have entered into various agreements and other actions in order to resolve Case No. 92 CV 54 in the District Court for San Miguel County, State of Colorado. Settlement documents include a Pre-Annexation Agreement, a Settlement Agreement, Releases, Release of Liens, Power of Attorneys, Quit Claim Deeds, and the Stipulation for Dismissal. Attached hereto and marked Exhibit A is a legal description of the subject property.

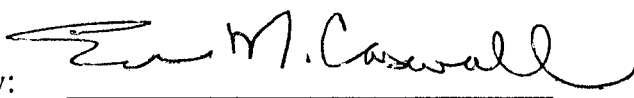
The Pre-Annexation Agreement contains the terms and dates by which the Brown Homestead property may be annexed by the Town of Telluride. The Pre-Annexation Agreement contains other obligations of the parties, including the homeowners. A copy of the Pre-Annexation Agreement is available for inspection in the office of the Town Clerk during normal business hours.

The Settlement Agreement contains part of the agreement of the parties. In addition to other provisions, the Settlement Agreement provides for the special waiver of water service fees and tap fees under certain circumstances. The Agreement also contains limitations on the fee waivers such that when units are sold to third parties, the third parties are treated in a uniform fashion with other municipal utility users. A copy of the Settlement Agreement is available for inspection in the office of the Town Clerk during normal business hours.

This Memorandum of Agreement is provided for in Article 2, Subsection B of said Pre-Annexation Agreement. This Memorandum of Agreement does not contain the terms of the Pre-Annexation Agreement, Settlement Agreement, or any other above-described document. Any interested person should examine these agreements for herself or himself.

DATED this 14th day of March, 1995.

TOWN OF TELLURIDE

By: 

Edward M. Caswall, Town Attorney

EXHIBIT A

THE BROWN HOMESTEAD CONDOMINIUM GENERAL COMMON ELEMENTS, according to the Replat for B.R. Properties, Ltd. filed for record November 5, 1979, in Plat Book 1 at page 182 and the Plat of the Brown Homestead Condominium filed for record November 5, 1979, in Plat Book 1 at Pages 184-186, and according to the Condominium Declaration for the Brown Homestead Condominium, recorded November 27, 1977, in Book 363 at page 277 under Reception No. 199874, and November 27, 1979, in book 383 at pages 800-808 under Reception No. 214603, of the San Miguel County, Colorado records, as from time to time may be amended, subject to the terms, conditions, provisions and of said Condominium Declaration; AND Condominium Unit A-1, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit A-2, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit A-3, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit A-4, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit B-1, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit B-2, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit B-3, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit B-4, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit C-1, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit C-2, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit C-3, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit C-4, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit D-1, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit D-2, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit D-3, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit D-4, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit E-1, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit E-2, THE BROWN HOMESTEAD CONDOMINIUM, Condominium Unit E-3, THE BROWN HOMESTEAD CONDOMINIUM, AND Condominium Unit E-4, THE BROWN HOMESTEAD CONDOMINIUM, according to the Map for the Brown Homestead Condominium filed for record November 5, 1979, and according to the Condominium Declaration for the Brown Homestead Condominium, recorded November 27, 1977, in Book 363 at page 277 under Reception No. 199874, and November 27, 1979, in book 383 at pages 800-808 under Reception No. 214603, of the San Miguel County, Colorado records, as from time to time may be amended, subject to the terms, conditions, provisions and of said Condominium Declaration.