

REIMBURSEMENT AGREEMENT
RIGHT-OF-WAY IMPROVEMENTS

THIS AGREEMENT, made and entered into as of the 28 day of May, 2009, by and between **CBAR 19 FLAGSTAFF, LLC**, whose mailing address is 5655 S. Yosemite Street, Suite 301, Greenwood Village, Colorado, 80111, hereinafter referred to as "Developer," and the **CITY OF FLAGSTAFF**, a municipal corporation of Arizona, hereinafter referred to as "City."

WHEREAS, the City and the Developer entered into a certain Lease Agreement dated April 13, 2005 (the "Land Lease") for the development of 1.27 acres of real property situated within a portion of Tract 7B of the Pulliam Airport Airpark Unit 1, Amended Subdivision adjacent to the municipal airport in Flagstaff, Arizona (the "Development").

WHEREAS, the City required the Developer to construct an access road as part of the Development, generally located on Tract 7B of the Pulliam Airport Airpark, more particularly described in Exhibit "A" and Exhibit "B" attached hereto and made a part hereof by reference.

WHEREAS, the City required the Developer to dedicate the access road to the City as a public Right-of-Way named Kitty Hawk Lane.

WHEREAS, the City agreed to require future lessees and purchasers of property that abuts and accesses Kitty Hawk Lane to reimburse the Developer for their proportionate shares of the road construction costs.

NOW, THEREFORE, the parties of this Agreement for and in consideration of the mutual promises herein contained and for other good and valuable consideration, do hereby agree as follows:

1. Developer has finished construction of the access road. The total cost of the access road is \$337,493.04, which is further described in Exhibit "C," attached hereto and made a part hereof by reference.
2. The City and the Developer agree to use an allocation mechanism of 33.33% for the Developer's proportionate share, and 66.67% for the remaining proportionate share to future lessees and purchasers of the remaining property abutting or accessing the right-of-way. Under this allocation, the Developer's proportionate cost is \$112,486.43, and the Developer's reimbursement amount is \$225,006.61, as set forth in Exhibit C.
3. Upon closing of a land sale or commencement of a land lease on any of the remaining abutting property that accesses Kitty Hawk Lane, the City shall collect the applicable proportionate development costs from the land purchaser or lessee, and shall promptly reimburse the same to the Developer without offset or reduction. The City and the Developer acknowledge and agree that unless one purchaser or lessee acquires all of the remaining abutting property accessing Kitty Hawk Lane, each purchaser or lessee shall only be required to reimburse its proportionate amount of the \$225,006.61, as allocated by the City.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the 28 day
of May, 2009.

CITY:
CITY OF FLAGSTAFF, an Arizona
municipal corporation

By: [Signature]
City Manager

Attest:

[Signature]
City Clerk

Approved as to form:
[Signature]
City Attorney

DEVELOPER:
CBAR 19 FLAGSTAFF, LLC, a Colorado
limited liability

By: SDA Inc. Manager

[Signature]
Name: Stephen M. Biagiotti
Title: President



Exhibit "A"

A portion of Tract 7B, Pulliam Airport Airpark Unit 1, Amended, as recorded at Case 6 Map 44 (r1), records of Coconino County, being situate in Section 5, Township 20 North, range 7 East, Gila and Salt River Meridian, Coconino County, more particularly described as follows:

COMMENCING FOR REFERENCE at a found brass cap in handhole at the intersection of Pulliam Drive and John Wesley Powell Boulevard;

thence S 48d 59m 46s E [Basis of Bearings per (r1)] , along the centerline of Pulliam Drive, a distance of 654.19, to a found brass cap in handhole;

thence N 40d 57m 00s E, a distance of 42.47', to the northerly right of way line of Pulliam Drive, to a set ½" rebar/cap – Ls18548;

thence southeasterly along a non-tangent curve to the left, concave to the north, a distance of 102.11', to a set ½" rebar/cap – LS18548, said curve having a radius of 773.50' (r1), a delta of 07d 33m 49s, a chord of S 52d 46m 59s E 102.03', and an initial radial bearing of S 40d 59m 55s W, to the **POINT OF BEGINNING**;

thence N 41d 06m 30s E (non-tangent), a distance of 169.15', to a set ½" rebar and cap – LS18548;

thence northwesterly, northeasterly, southeasterly, and southwesterly, along a curve to the right a distance of 282.74', said curve having a radius of 60.00', a delta of 270d 00m 00s, and a chord of N 86d 06m 30s E 84.85';

thence S 41d 06m 30s W, a distance of 218.65', to the north line of Pulliam Drive;

thence northwesterly along a non-tangent curve to the right, concave to the northeast, a distance of 60.93', said curve having a radius of 773.50' (r1), a delta of 04d 30m 47s, and a chord of N 58d 49m 17s W 60.91', back to the **POINT OF BEGINNING**.

See attached "Exhibit B" for a sketch of the above described parcel, said sketch made a part hereof by this reference.

Area = 21,503 square feet (0.503 acres), more or less.

City File Number

Descriptive Title



Martin H. Martin, LS
2708 N. 4th St. B-3 Flagstaff, AZ 86004
928-526-0270 Main 928-526-0277 Fax

CURVE TABLE

| CURVE | RADIUS | ARC | DELTA | BEARING | CHORD |
|-------|---------|---------|------------|-------------|---------|
| C1 | 773.50' | 102.11' | 07°33'49" | S52°46'59"E | 102.03' |
| C2 | 60.00' | 282.74' | 270°00'00" | S86°06'30"W | 84.85' |
| C3 | 773.50' | 60.93' | 04°30'47" | S58°49'17"E | 60.91' |
| C4 | 773.50' | 30.57' | 02°15'52" | S59°56'45"E | 30.57' |
| C5 | 773.50' | 30.36' | 02°14'56" | S57°41'21"E | 30.36' |

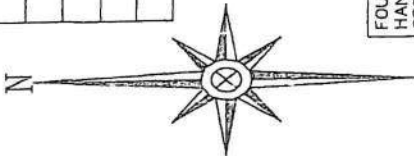
☐ FOUND BRASS CAP
CENTERLINE MONUMENT

⊙ SET 1/2" REBAR/CAP - LS18548

⊙ SET 2" ALUMINUM CAP - LS18548

⊙ COMPUTED POINT - NOTHING SET

AREA = 21,503± S.F. (0.503± AC.)



FOUND BRASS CAP IN
HANDHOLE AT INTER-
SECTION PULLIAM/POWELL

POINT OF
COMMENCEMENT

Basis of Bearings
S48°59'46"E
654.19'

PULLIAM DR.



POINT OF
BEGINNING

SCALE: 1" = 40'

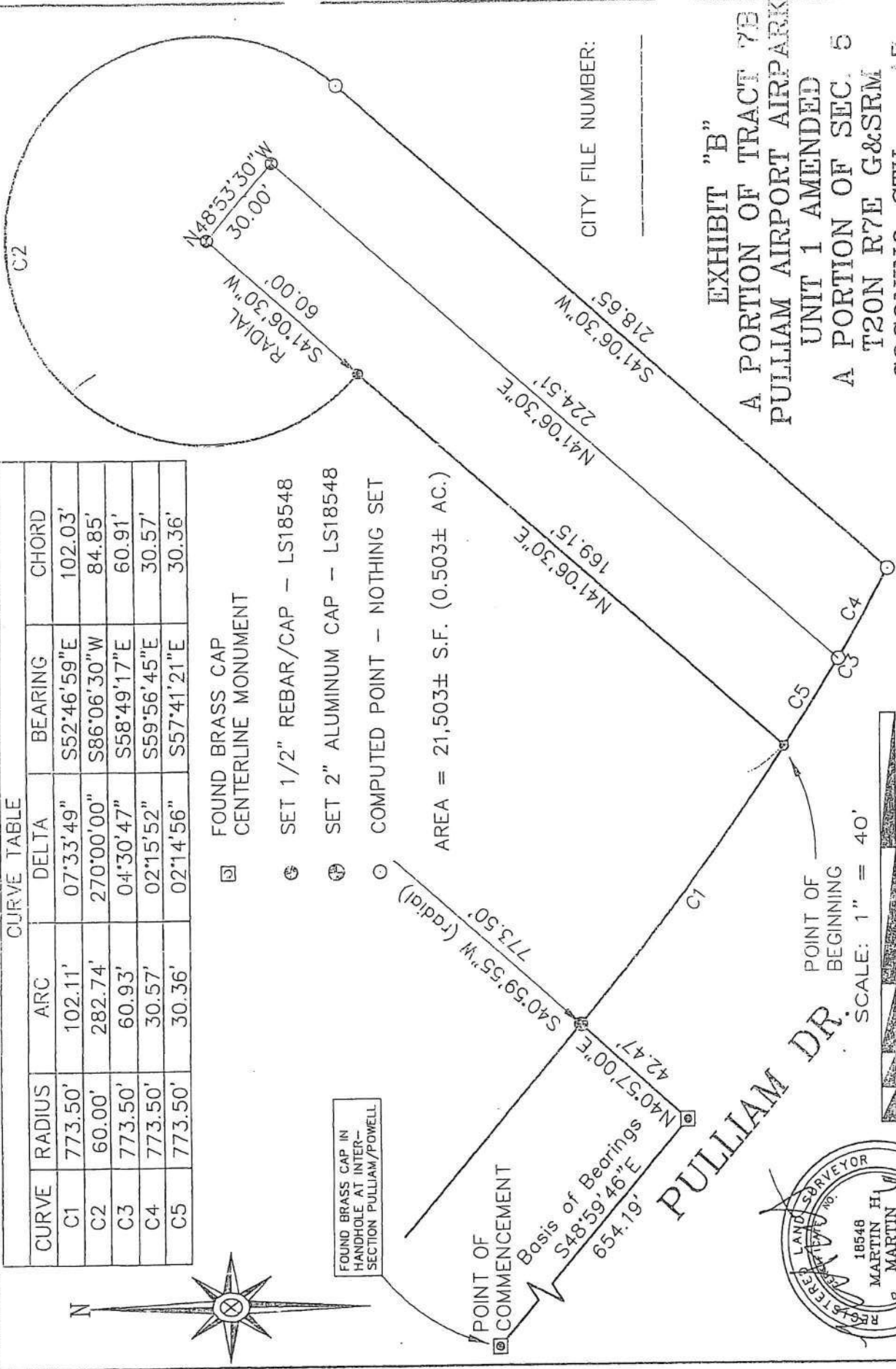


MARTIN LAND SURVEYS

2708 N. 4th St. B-3
Flagstaff, AZ 86004
928-526-0270 Main
Date: Oct. 31, 2006

Job No. 04101

dwg:ktyhvk.dwg



CITY FILE NUMBER:

EXHIBIT "B"
A PORTION OF TRACT 7B
PULLIAM AIRPORT AIRPARK
UNIT 1 AMENDED
A PORTION OF SEC. 5
T20N R7E G&SRM
COCONINO CTY. - AZ

Exhibit "C"

KITTY HAWK LANE CITY RIGHT-OF-WAY IMPROVEMENT COSTS PULLIAM AIRPORT AIRPARK, FLAGSTAFF, ARIZONA

| Subcontractor/Description | Subcontract Amount | Overhead (10%) | Profit (10%) |
|--|---------------------|--------------------|--------------------|
| Martin Land Surveys | | | |
| Prepare Survey and Legal Description of Kitty Hawk Lane | \$6,800.00 | \$680.00 | \$680.00 |
| Wildcat Construction | | | |
| Original Contract | \$128,226.50 | \$12,822.65 | \$12,822.65 |
| Addition of elec. Conduit and gas line trench | \$6,680.00 | \$668.00 | \$668.00 |
| Excavate 365lf of trench for Nat. Gas Line in ROW | \$2,007.50 | \$200.75 | \$200.75 |
| Correct grade in Cul De Sac of Kitty Hawk Ln | \$1,050.00 | \$105.00 | \$105.00 |
| Addition 2 45degree bends to raise fire hydrant | \$235.80 | \$23.58 | \$23.58 |
| Install 850lf of 2"conduit, set 3 box pads & bore across Pulliam | \$25,100.00 | \$2,510.00 | \$2,510.00 |
| Install Extension Sleeve on Fire Hydrant and Add Rip Rap | \$1,835.00 | \$183.50 | \$183.50 |
| RTR Paving and Resurfacing | | | |
| Original Contract | \$38,800.00 | \$3,880.00 | \$3,880.00 |
| Add for Signage for Kitty Hawk Lane | \$2,250.00 | \$225.00 | \$225.00 |
| C&E Paving and Grading | | | |
| Original Contract | \$2,580.00 | \$258.00 | \$258.00 |
| Aspen Concrete | | | |
| Original Contract | \$46,694.40 | \$4,669.44 | \$4,669.44 |
| Add for spillway redesign | \$2,625.00 | \$262.50 | \$262.50 |
| APS | | | |
| Original Contract | \$16,360.00 | \$1,636.00 | \$1,636.00 |
| SUBTOTALS | <u>\$281,244.20</u> | <u>\$28,124.42</u> | <u>\$28,124.42</u> |
| TOTAL KITTY HAWK LANE COST | | | |
| | <u>\$337,493.04</u> | | |
| FBI Site Proportionate Cost (1/3) | <u>\$112,486.43</u> | | |
| Total ROW Reimbursement due to Developer (2/3) | <u>\$225,006.61</u> | | |

Developer/Payee: CBAR 19 Flagstaff, LLC
Contact: Marc Biagiotti
(303) 220-0500