

DEVELOPMENT AGREEMENT BETWEEN THE CITY OF FORT COLLINS; AND
THE STANDARD AT FORT COLLINS, LLC,
AND RIDGE GATE PARTNERS, LLC

THIS DEVELOPMENT AGREEMENT (the "Agreement") is made and entered into this 22nd day of MAY 2018, by and between the CITY OF FORT COLLINS, COLORADO, a Municipal Corporation, hereinafter referred to as the "City"; THE STANDARD AT FORT COLLINS, LLC, a Delaware limited liability company, hereinafter referred to as the "Developer"; and RIDGE GATE PARTNERS, LLC, a Nevada limited liability company, hereinafter referred to as the "Owner."

WITNESSETH:

WHEREAS, the Developer is the owner of a portion of certain real property situated in the County of Larimer, State of Colorado, (hereafter sometimes referred to as the "Property" or "Development") and legally described as follows:

Standard at Fort Collins, a portion thereof being a replat of Lots 5, 6, and 19, and portions of Lots 4, 7, 16, 17, 18 and 20, Block 2, College Heights, a Subdivision Plat, located in the Southwest Quarter of Section 14, Township 7 North, Range 69 West of the 6th P.M., City of Fort Collins, County of Larimer, State of Colorado.

WHEREAS, the Developer has entered into an agreement with Ridge Gate Partners, LLC, to acquire a long-term ground lease interest in and to a portion of the Property; and

WHEREAS, the Developer desires to develop the Property and has submitted to the City all plats, plans (including utility plans), reports and other documents required for the approval of a final plan according to the City's development application submittal requirements master list (the "Final Development Plan Documents") copies of which are on file in the office of the City Engineer and made a part hereof by reference; and

WHEREAS, the parties hereto have agreed that the development of the Property will require increased municipal services from the City in order to serve such area and will further require the installation of certain improvements primarily of benefit to the Property and not to the City of Fort Collins as a whole; and

D. Streets

1. Subject to the conditions of this Agreement, the City agrees to reimburse the Developer for oversizing public street improvements along Prospect Road for those portions of said street abutting the Property as shown on the Final Development Plan Documents. Reimbursement for Prospect Road shall be for increasing the sidewalk width from local (4.5 feet) access standards to arterial (varies from 7 to 10 feet) standards. The City shall make reimbursement to the Developer for the aforesaid oversized street improvements in the manner provided in and in accordance with City Code Section 24-112. As identified in the City Code, the City shall not participate in the cost of transportation improvements required solely for the special use and benefit of the Development required by the transportation impact study for the Development, or by the City Traffic Engineer. The Developer agrees and understands that the City shall have no obligation to make reimbursement payments for street oversizing unless funds for such payments shall first have been budgeted and appropriated from the transportation improvements fund by the City Council. The Developer further understands that to the extent that funds are not available for such reimbursement, the City may not, in the absence of the Developer's agreement, require the construction, at the Developer's expense, of any oversized portion of streets not reasonably necessary to offset the traffic impacts of the Development. The Developer does hereby agree to construct the aforesaid oversized street improvements with the understanding that the Developer may not be fully reimbursed by the City for the cost of such construction. The Developer further agrees to accept payment, for the aforesaid oversized street improvements, in accordance with City Code Section 24-112(d) as full and final settlement and complete accord and satisfaction of all obligations of the City to make reimbursements to the Developer for such described oversized transportation improvements. Nothing herein shall be construed as a waiver by the Developer and its successors and assigns of any right it or they may have to reimbursement pursuant to applicable law, including but not limited to the City's regulations, in connection with the Developer's dedication of twenty-one feet (21') of right-of-way adjacent to Prospect Road for the entire length of the Property ("Prospect Road ROW") as more particularly shown on the Final Development Plan Documents. By its execution of this Agreement and its dedication of the Prospect Road ROW, the Developer does not waive such right that may exist to reimbursement and the Developer shall have the right to continue to assert and maintain a claim for such reimbursement. The City's position is that it is requiring the dedication of the Prospect Road ROW pursuant to City Code Section 24-95 as part of the required local access portion, a position the Developer disputes. The City reserves any right it may have to impose additional obligations related to the local access portion that are not set forth in this Agreement, including Developer payment for previously installed improvements along Prospect Road and Lake Street, and the Developer reserves any right it may have to contest any imposition of such additional obligations.

2. It is understood that the improvements that are to be constructed in the public right-of-way as described in this Section II.D are "City improvements" (as defined below) and, as such, any contract for the construction of the same must be executed in writing. If the cost of such improvements exceeds the sum of Sixty Thousand Dollars (\$60,000), the contract for the construction of the same must be submitted to a competitive bidding process resulting in an award to the lowest responsible bidder; and evidence must be submitted to the City prior to the commencement of the work showing that the award was given to the lowest responsible bidder. If the cost of such Improvements exceeds One Hundred Thousand Dollars (\$100,000), the contract for the construction of the improvements must be insured by a performance bond or other equivalent security. For purposes of this Paragraph, the term "City improvements" shall mean either (1) existing improvements owned by the City that are to be modified or reconstructed, or (2) any improvements funded in whole or in part by the City.

3. Prior to the issuance of any certificate of occupancy (whether full or temporary), the Developer shall pay \$20,000 to the City to be used toward the future HAWK signal that is anticipated to be provided for a pedestrian/bike crossing of Prospect Road. The Developer and the City agree that should the HAWK signal be constructed by the City in advance of the City's receiving this payment, the City shall have the right to utilize the \$20,000 payment as a reimbursement to the City for the City's construction of the HAWK signal.

4. Prospect and Whitcomb Turn Lane

a. The City shall attempt to obtain the necessary right-of-way from the Board of Governors of Colorado State University ("CSU") for a westbound right turn lane at Prospect Road and Whitcomb Street (the "Turn Lane") no later than January 1, 2019.

b. The Developer shall diligently pursue the preparation of and submission to the City of mylars of the Turn Lane construction plans (the "Turn Lane Plans") in order to obtain final City approval of such mylars no later than January 1, 2019.

c. If the City obtains the right-of-way for the Turn Lane from CSU by January 1, 2019 and the Developer obtains final City approval of the Turn Lane Plans by January 1, 2019, then the Developer shall have the obligation to construct the Turn Lane in accordance with the Turn Lane Plans. Upon completion of the Turn Lane by the Developer and acceptance thereof by the City, the City shall reimburse the Developer for fifty percent (50%) of the total cost of construction of the Turn Lane in accordance with the City's transportation improvements reimbursement program in City Code Section 24-112. Construction of the Turn Lane shall be completed

by the Developer prior to issuance of a certificate of occupancy for the Development.

d. In the event that either (i) the City is unable to acquire the right-of-way for the Turn Lane from CSU by January 1, 2019 or, (ii) notwithstanding its diligent efforts, the Developer is unable to obtain final City approval of the Turn Lane Plans by January 1, 2019 due to delays in the City review process for such plans, the Developer shall not be required to construct the Turn Lane. In either such event, the Developer shall be obligated, in lieu of construction of the Turn Lane, to pay to the City a sum equal to fifty percent (50%) of the total cost of construction of the Turn Lane, the initial estimate of which total construction cost is Three Hundred Thousand Dollars (\$300,000). Such payment shall be made by the Developer to the City prior to March 1, 2019, in order to afford the City sufficient time to coordinate the construction of the Turn Lane with the Developer's contribution and the City's completion of the Turn Lane in advance of the Developer's desired occupancy of fall of 2020. In the event that the City does not have a final actual cost for construction of the Turn Lane prior to March 1, 2019, the Developer shall pay to the City a sum equal to One Hundred Fifty Thousand Dollars (\$150,000), which is fifty percent (50%) of the total estimated cost of the Turn Lane. In that event, if the City's final cost of Turn Lane construction demonstrates that the Developer's fifty percent (50%) of such cost is more than One Hundred Fifty Thousand Dollars (\$150,000), the City shall give notice of such additional cost to the Developer and the Developer shall pay such additional cost to the City within sixty (60) days thereafter.

5. As identified in Article III, Chapter 23 of the City Code (the "Encroachment Regulations") no encroachments or obstructions are allowed within the public rights-of-way without a permit ("Encroachment Permit"). The Developer understands and acknowledges that if the Final Development Plan Documents now or in the future, through an amendment process, include any encroachments or obstructions in the public rights-of-way the Developer shall apply for, meet any requirements or conditions, and obtain an approved Encroachment Permit prior to the installation of the encroachment(s).

a. All requirements and conditions as identified on the Encroachment Permit and identified in the Encroachment Regulations shall be met and maintained both prior to and after issuance of the Encroachment Permit. The Encroachment Permit, which is non-transferable, is issued to the property owner or to the lessee of the property (with the property owners consent) in which the encroachment is adjacent to or benefits and the Developer