

# Lake Avenue Constructions Plans 2017

Grand Lake Family, LLLP

To whom it may concern:

The Grand Lake Family, LLLP owns six lots situated in the town of Grand Lake, Colorado, above the North side of a future road plotted as Lake Avenue. Four of these lots are further up the road and zoned resort which could hold condos or some other multi-family structure. The four resort lots are considered Phase-2 of our future development and not part of this project. Currently we would like to develop Phase-1 of this project which would entail developing the road for access and utilities to the first two of our lots and brings services much closer to our other four resort lots further up the hill. In addition to building the road, we would like to build log homes on our two residential lots. There is a third residential lot also serviced by this road which we are attempting to purchase. If we are able to buy this third lot at a reasonable price then we intend to build a log home on it as well for a total of three log homes.

In 2016 we developed plans for the road needed to access the three residential lots. The plan for this road was approved by the town of Grand Lake in October of 2016. If you look at the attached road plans you will see the lots drawn on the plan. Homes are already built on an existing road up to lot 13. We currently own lots 9 and 10 and are attempting to purchase lot 11. Lot 12 is not for sale. We are in the process of taking bids to build the road and have only received our first bid at this time. The first bid to build the road is attached at a price of \$75,895.

We are currently negotiating to purchase the third residential lot, #11 on the road plan. We have offered to purchase this lot for \$80,000 and the seller gave us a counter offer of \$85,000. Maybe we can settle somewhere in the middle but I think we could accept \$85,000 if the seller refuses to reduce the price.

Once the road is finished we can begin building log homes on all three of these properties. We have researched log homes and plan to use log kits provided by Lazarus Log Homes, [www.lazarusloghomes.com](http://www.lazarusloghomes.com). Information about how Lazarus builds their log home kits is attached. We have chosen to use the Lazarus Alpine Glow kit for these properties. The base Alpine Glow kit costs \$79,826 and a copy of what is included in the base kit is attached. We have also had a customized version of the Alpine Glow kit designed which might work better on one or two of the properties. The customized Alpine Glow kit is also attached and costs \$92,941. There is approximately a \$13,000 difference between the original kit and the modified kit but the other construction costs to build either kit are basically the same.

We could probably fund this project ourselves but it would mean building one log home at a time. We believe there will be a significant cost savings if were to build all three log homes simultaneously. We could also save some money if we have the lots excavated at the same time as the road because the excavation equipment will already be on-site.

Below you will see total cost break down for the road and all three log homes. We estimate the total cost of Phase-1 of our Lake Avenue construction plans to be around \$###,###. We would like to secure financing for this amount and see what loan terms you could provide to support this project.

Thank you,

Grand Family, LLLP