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Re: Coonrad Property Deannexation

Date: 12/9/2020

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This memo is a description of the state of the properties owned by the Coonrads at 641 North County Rd. 3, Johnstown, Colorado, with particular focus on the annexation of a portion of the properties in 2007. The issues with the property stem from a discrepancy between the legal descriptions in the Coonrads' deed and deeds for easements that were used by developers of the surrounding property that was subdivided and annexed. The Coonrads currently have a property made up of four portions with different statuses as to title and annexation by Johnstown.

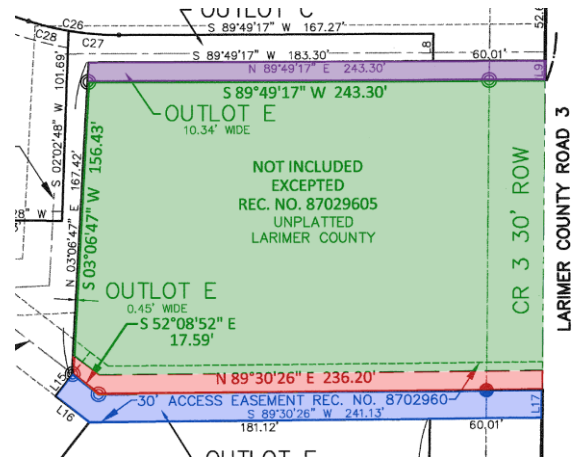


Figure 1 - The portions of the Coonrad Property. From North To South: North Outlot E (Purple), Main Coonrad Lot (Green), South Area of Concern (Red), and South Outlot E (Blue)

From North to South:

1. **North Outlot E** (Purple above) is a 10-foot strip of land that is part of their deeded legal description and was also sold to the Coonrads in a separate deed in 2017, based upon the legal description used by the developers. This property may have been annexed by the town of Johnstown in the Maxfield Annexation 1, recorded with the Larimer County Clerk and Recorder at Reception No. 20070084418.
2. The **Main Coonrad Lot** (Green above) is the main portion of the property, deeded to the Coonrads by Special Warranty deed recorded with the Larimer County Clerk and Recorder on June 25, 2009 at Reception No. 20090042452. This property was excluded from annexation by Johnstown.
3. The **South Area of Concern** (Red above) is a 10-foot strip along the south edge of the Main Coonrad Lot, based upon the Main Coonrad Lot's deeded legal description. However, using the legal description for the easements upon the land, the lot was considered part of the Coonrad Lot by the developers that subdivided the surrounding land. This property may have been annexed by the town of Johnstown and may have been excluded from annexation.
4. **South Outlot E** (Blue above) is a 15-foot strip of land sold to the Coonrads in a separate deed in 2017. This strip is connected to North Outlot E by a narrow band of land running the entire West side of the Main Coonrad Lot that is 0.45 feet wide and 156 feet long. Though the annexation

status of North Outlot E is not clear, South Outlot E was part of the area annexed by Johnstown in 2007.

The Coonrads plan to file an action in District Court in Larimer County to quiet title to the South Area of Concern, vacate various easements upon the lands, define on legal description of all the land, and to deannex those portions of the properties from the Town of Johnstown. As discussed below in depth, in 2007 only some portions of the Coonrad properties were annexed. The bulk of the Coonrad Property was specifically excluded and if any portions were annexed that was a result of discrepancies in legal descriptions and a failure by neighboring developers to correct identified issues.

Background

By Deed: Northern Boundary of Coonrad Property defined as 294.77 feet south of quarter corner

Brittany and Jonathan Coonrad, in 2009 acquired title to the property commonly known as 641 North County Rd. 3, Johnstown, Colorado (the “Coonrad Property”) by Special Warranty deed recorded with the Larimer County Clerk and Recorder on June 25, 2009 at Reception No. 20090042452. The Coonrad Property was first defined in an Exemption Plat recorded on July 11, 1979 at Book 1968, Page 0571, which described the northeast corner of the Coonrad Lot as beginning 294.77 feet south of the NE Corner of the SE Quarter of Section 14, Township 5 North, Range 68 West. This northern boundary at 294.77 feet south of the corner continued through to the Coonrad’s deed in 2009.

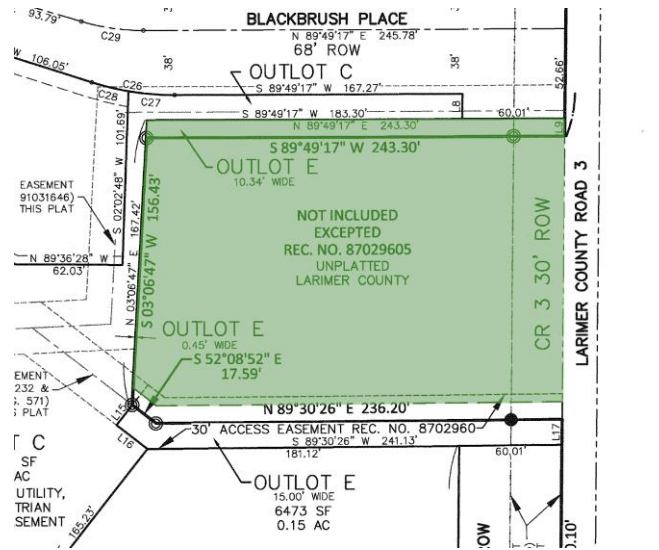


Figure 2- The boundaries of the recorded descriptions, with a Northern Boundary 294.77 feet south of the corner, are approximately the area defined in this map by the green coloring.

By Easement and by Monument: Northern Boundary of Coonrad Property defined as 305.15 feet south of quarter corner

In 1991, the owners of the surrounding property granted an easement recorded with the Larimer County Clerk and Recorder at Reception No. 91031646, currently No. 19910031646. The center line of the easement was 290.15 feet south of the NE corner of the SE Quarter of Section 14, Township 5 North, Range 68 West, “said line being 15 foot Northerly of the North line of [the Coonrad property] described

at Reception No. 87029605.” This description would put the northern boundary of the Coonrad Property 305.15 feet south of the corner.

Notably, this definition of the Coonrad Property matches survey monuments along the north and south boundaries.

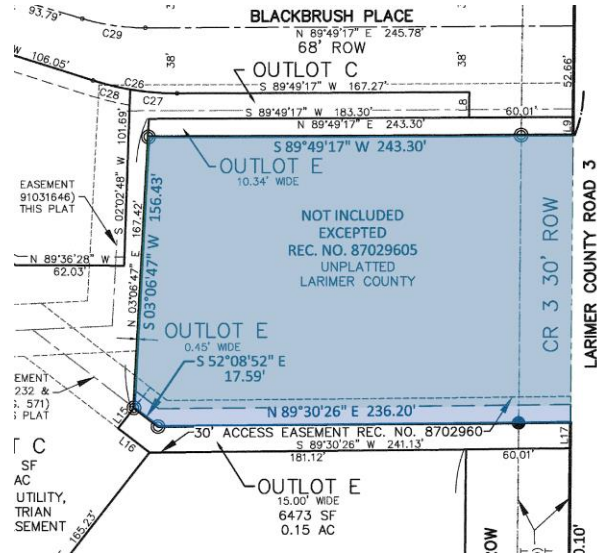


Figure 3 - The boundaries based on the easement’s descriptions and the noted monuments, with a Northern Boundary 305.15 feet south of the corner, are approximately the area defined in this map by the blue coloring.

Though the developers identified the discrepancy between the deeded property and the property as defined in the easements and in the monuments in the field, no action was taken by the developers to reconcile the issues. In lieu of addressing the discrepancies, the developers created Outlot E, surrounding the Coonrad’s property on the north and south. The property was sold to the Coonrad’s neighbors to the south (the Comers), who in turn sold it to the Coonrads by Warranty Deed.

Development of Thompson Crossing II, creation of Area of Concern and Outlot E, and Annexation

In 2007, Zeiler Enterprises, LLC transferred its interests in the property surrounding the Coonrad Property to TC Phase 2, LLC. That year, the surrounding property was annexed to the Town of Johnstown in the Maxfield Annexation No. 1, recorded with the Larimer County Clerk and Recorder at Reception No. 20070084418. That annexation excluded the Coonrad Property identified by deed (1979 deed at Book 1994 Page 460) and by the same monuments identified above.

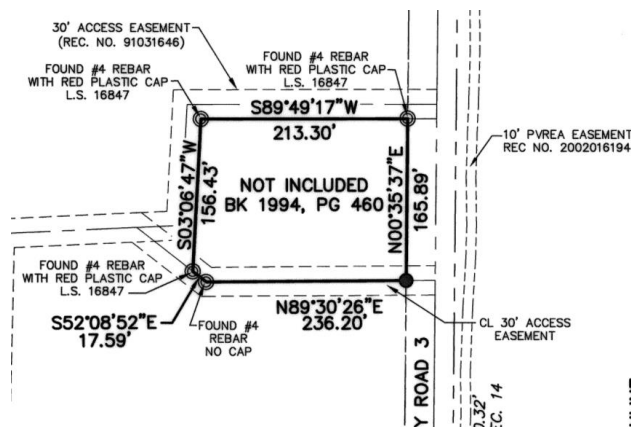


Figure 4 - Portion of 2007 Annexation map, excluding Coonrad Property defined by deed and by monuments.

If the monumentation is to control the 2007 Annexation, the Town of Johnstown annexed a portion of the Coonrad Property (the area also occupied by North Outlot E) and a portion of the Coonrad Property (the Main Coonrad Lot) was left as part of unincorporated Larimer County. Further, the South Area of Concern would have been annexed with this method. If the recorded deeds identified in the 2007 Annexation are controlling, the Town of Johnstown did not annex North Outlot E (the area also occupied by the Coonrad Property based on the deed) but did annex South Outlot E and the South Area of Concern.

Planned Action

In 2019, the Coonrads engaged March & Olive, LLC to clean up the above issues by court action. We have identified four primary areas that we will be asking the court to act upon: quiet title to the South Area of Concern, vacate easements on all of the properties, combine the properties into one single legal description, and to deannex those portions of the properties from Johnstown.

1. The South Area of Concern is a 10-foot strip that is in the Coonrad's property based on the existing monumentation and definitions from various easements, but is excluded from the Coonrad's property based upon their deed. This strip lies between the Main Coonrad Lot and South Outlot E, all of which are owned by the Coonrads by deed. The Coonrad's intent to ask the court to quiet title to this strip based on use by the Coonrads, the monuments in the field, deeds, and plats all identifying this area as belonging to the Coonrads.
2. The Coonrad's property is covered by several easements to the surrounding area, some of which were vacated on neighboring properties. The Coonrads will ask the court to vacate those portions of the easements on their land, excepting one modified easement in negotiation with a neighbor to the south.
3. As noted previously, the Coonrad Property has four portions with varying title, varying legal descriptions, and unmarketable dimensions. The Coonrads will ask the court to consolidate the legal descriptions of all their adjoining properties into one clearly identifiable parcel.
4. Of the four portions of the Coonrad properties, only South Outlot E was clearly annexed by the Town of Johnstown in 2007 and the bulk of the area, the Main Coonrad Lot, was clearly excluded from annexation. North Outlot E and the South Area of Concern may have been annexed and may have been excluded, depending on whether the annexation went by the deeds or by the monuments, both referenced in the annexation plat.