

FIRST AMENDMENT TO OPTION TO PURCHASE AGREEMENT

This First Amendment to Option to Purchase Agreement (“Amendment”) is entered into on the ____ day of _____, 2025, by and between the Town of Palmer Lake, Colorado, a Colorado statutory town (the “Town”) and EcoSpa, LLC, a Colorado limited liability company (“EcoSpa”).

WHEREAS, the parties previously entered into an Option to Purchase Agreement dated September 29, 2023 (the “Option Agreement”) granting EcoSpa the option to purchase from the Town certain real property described in the Option Agreement as the “Leased Property” and setting forth the terms and conditions of such option; and

WHEREAS, due to circumstances that have occurred subsequent to the parties’ execution of the Option Agreement, the parties have concluded that it is in their mutual interests to modify and clarify the terms and conditions of the Option Agreement and to include in the Option Agreement the ability and requirement to purchase an adjacent parcel of property (the “Parking Parcel”), approximately .95 of an acre in size to satisfy the parking requirements associated with the development of the Leased Parcel, as set forth below.

NOW THEREFORE IN CONSIDERATION OF THE MUTUAL RIGHTS AND OBLIGATIONS SET FORTH IN THE OPTION AGREEMENT AND IN THIS AMENDMENT, THE PARTIES AGREE AS FOLLOWS:

A. Section 1 of the Option Agreement is hereby amended by replacing it in its entirety to read as follows:

1. The Town grants EcoSpa, LLC the exclusive option to purchase the Leased Property and the Parking Parcel adjacent to the Leased Property, as depicted generally on Exhibit A, attached, on the following terms and conditions set out below on or before June 8, 2031, provided that on or before the date EcoSpa provides notice to the Town of its intent to exercise its option to purchase the Leased Property, EcoSpa has (1) completed construction of the two buildings depicted on the Eco Spa Addition/Remodel drawings provided by EcoSpa to the Town dated July 16, 2024, in substantial compliance with such drawings and has obtained a permanent certificate of occupancy for both buildings, (2) completed construction and obtained all required approvals of all other structures located on the Leased Property, with the exception of future aesthetic improvements, upgrades or minor extensions, such as porches, patios and gardens, (3) completed construction and obtained approval from the Town of all landscaping and other on-site improvements required in connection with the development and use of the Leased Property for its contemplated uses, and (4) completed

construction and obtained approval after such completion of any off-site improvements required in connection with development or use of the Leased Property. Such improvements and requirements shall be in addition to any improvements or requirements imposed in connection with the development or use of the Leased Property or the development of the Elephant Rock Property as set forth in a development agreement or improvement agreement or similar contract with the Town addressing matters such as access, ingress, egress, parking, utilities, and infrastructure improvements. If such requirements have not been fully and completely satisfied on or before June 8, 2031, then this Option to Purchase shall terminate and be of no further force or effect.

- B. EcoSpa's option to purchase shall include the Leased Property and the Parking Parcel and the combined purchase price for both parcels shall be \$220,000.
- C. Such combined purchase price is based, in part, on the Opteon Appraisal referred to in Article 12 of the Lease Agreement, and the interest of the Town in encouraging the success of EcoSpa's business to the benefit of the Town and its residents.
- D. Commencing on the date of the execution of this Amendment and continuing thereafter the Option Property and the Parking Parcel shall be subject to the following terms and limitations, which shall be deemed to be covenants running with the Option Property and the Parking Parcel.
 - 1. The Parking Parcel shall be used to satisfy the parking requirements associated with the use of the Leased Parcel.
 - 2. The Leased Parcel and Parking Parcel, once purchased by EcoSpa, shall not subsequently be sold separately, but shall remain under common ownership.
- E. The Leased Property and the Parking Parcel are part of a larger parcel of property generally known as the Elephant Rock Property consisting of approximately 28 acres and owned by the Town. The Town will initiate and pursue subdivision of the Elephant Rock Property, including the Leased Property and the Parking Parcel, with such subdivision to be completed prior to EcoSpa's first request for a certificate of occupancy for the Leased Property.
- F. The parties anticipate that the Elephant Rock Property, including the Leased Property and the Parking Parcel will be developed as a Planned Development pursuant to the provisions of the Palmer Lake Town Code. EcoSpa will work

cooperatively with the Town to accomplish approval of the Planned Development concurrent with the subdivision process described in Subpart E., above.

- G. The parties agree to negotiate in good faith to determine EcoSpa's proportionate share of the costs associated with development of the Elephant Rock Property, based on its 60 parking spaces, including but not limited to the subdivision and planned development processes and improvements, with such agreement to be finalized prior to submission of the sketch plan involved in the subdivision process.
- H. EcoSpa shall be entitled to operate all facilities on the Leased Property simultaneously, provided such operations do not result in use of parking spaces in excess of those allocated to the Leased Property and located on the Parking Parcel.
- I. Except as specifically modified by this Amendment, all other provisions of the Option Agreement shall remain in full force and effect.

Entered into on the dates indicated below.

TOWN OF PALMER LAKE

By: _____
Dennis Stern- Mayor Pro Tem _____
Date _____

ECOSPA, LLC

By: _____
Richard Willan, Member/Manager Date _____

Lindsay Willan, Owner/Manager

Date