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THIRD AMENDMENT TO DEVELOPMENT AGREEMENT

THIS THIRD AMENDMENT TO DEVELOPMENT AGREEMENT (hereafter referred to as the "Third Amendment") is made and entered into effective this 21 day of June, 2011, by and among BOARDS OF COUNTY COMMISSIONERS OF LA PLATA COUNTY COLORADO AND OF SAN JUAN COUNTY, COLORADO ("Counties"); the PURGATORY METROPOLITAN DISTRICT ("Metro"); DSC/PURGATORY, LLC, a Colorado limited liability company, DURANGO MOUNTAIN LAND COMPANY, LLC, a Colorado limited liability company, PURGATORY VILLAGE LAND, LLC, a Colorado limited liability company, PURGATORY VILLAGE HOLDINGS, LLC, a Colorado limited liability company, DURANGO MOUNTAIN HOLDINGS, LLC, a Colorado limited liability company and WINDOM PEAK, LTD., a Colorado limited partnership (referred to collectively as "Owners").

WHEREAS, the Counties and Metro entered into a Development Agreement with Owners and/or Owners' predecessors-in-title effective August 22, 2002, and recorded in La Plata County, Colorado on August 23, 2002 at Reception No. 836596, and recorded in San Juan County, Colorado on August 30, 2002 at Reception No. 142061; and

WHEREAS, the Development Agreement was amended by a First Amendment to Development Agreement effective July 16, 2003 and recorded in la Plata County, Colorado on August 7, 2003 at Reception No. 864254 and recorded in San Juan County, Colorado on September 3, 2003 at Reception No. 142838; and

WHEREAS, within the Development Agreement, the parties adopted a Comprehensive Development Plan ("CDP") which consists of the Master Plan, DMR Regulations, and the Development Agreement, as amended, and a Second Amendment recorded contemporaneously herewith; and

WHEREAS, the fee simple ownership of a portion of the Property has now been transferred to Purgatory Village Land, LLC, a Colorado limited liability company, Purgatory Village Holdings, LLC, a Colorado limited liability company and Durango Mountain Holdings, LLC, a Colorado limited liability company; and

WHEREAS, the fee simple ownership of other portions of the Property have been transferred to other third parties for development and sale thereof; however, Owners retained the rights to supplement, modify and amend the Development Agreement in such transfers; and

WHEREAS, the parties to the Development Agreement have agreed to further amendments to various sections of the DMR Regulations; and

WHEREAS, the Joint Planning Commissions of La Plata County and San Juan County have held duly noticed public hearings with regard to this proposed Third Amendment, and recommend the adoption thereof by the Board of County Commissioners of La Plata County and San Juan County; and

WHEREAS, the Board of County Commissioners of La Plata County and the Board of County Commissioners of San Juan County have conducted duly noticed public hearings on this Third Amendment, and, based upon the evidence presented at the hearings, have determined that the approval of this Third Amendment is warranted.

NOW THEREFORE, for and in consideration of the mutual obligations set forth herein, this Third Amendment is hereby adopted by the Counties as a legislative act, and the parties agree to further amend the Development Agreement as follows:

1
Return to La Plata County
Planning Department



1. This Third Amendment shall be effective thirty-one days after both final passage and the date of publication of a notice advising the general public of the Third Amendment's approval by the La Plata and San Juan Boards of County Commissioners. If this Third Amendment is subject to the right of the voters to initiate a referendum regarding its adoption, and if a legally sufficient referendum petition complying with all relevant statutory requirements is filed within thirty days after final passage and publication of the Third Amendment in La Plata or in San Juan County, no part of this Third Amendment shall take effect until approved by a vote of the registered electors of the County in which such vote occurs.

2. Purgatory Village Land, LLC is hereby added as a party to and designated as an "Owner" under the Development Agreement, as amended, and the CDP and hereby agrees to be subject to, bound by, and benefited by all rights and obligations of the Development Agreement, as amended, and the CDP.

3. The Table in Section 2.8 is replaced with the following:

Land Use	Recommending Body	Approval Authority
Development Agreement, LURs, and Master Plan initial approval and subsequent amendments.	Public hearing(s) before Joint County Planning Commissions	Separate Public hearing(s) before La Plata County Board and San Juan County Board (both approvals required)
Master Infrastructure Plans/Conceptual Village Development Plans	Public hearing(s) before Joint Planning Commission or La Plata County Planning Commission for Village Plans entirely within LPC.	Public hearing(s) before La Plata County Board and San Juan County Board (both approvals required for Master Plans including Metro District) or La Plata only for village plans entirely within LPC.
Subdivisions	Public hearing(s) before appropriate County Planning Commission	Public hearing(s) before La Plata County Board and/or San Juan County Board (both approvals required if subdivision crosses County line - individual Board if wholly within one County)
Conditional Use Permit	Public hearing(s) before Joint Planning Commission if project crosses County lines - Otherwise appropriate individual Planning Commission	Public hearing(s) before La Plata County Board and/or San Juan County Board (both approvals required if project crosses County line - individual Board if wholly within one County)
Temporary Uses, Accessory Uses, Special Events, Permitted Uses with Site Plan Approval	No Planning Commission(s) review required	Appropriate County Staff
Condominium/Townhome Plats	Appropriate County Staff. No Planning Commission(s) review required	Consent agenda item before La Plata County Board or San Juan County Board(both approvals required if project crosses County line - individual Board if wholly within one County)
Density Transfers	Appropriate County Staff. No Planning Commission(s) review required	Public hearing before La Plata County Board and/or San Juan County Board (Both approvals required if transfer involves property in both Counties)



Bulk Parcel Plat Approvals	Appropriate County Staff No Planning Commission(s) review required	Public hearing before La Plata County Board
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4. Section 2.10 (“Subdivision Procedures”) of the DMR Regulations is hereby revoked in its entirety and replaced with following new Section 2.10:

2.10 Subdivision Procedures

Subdivision of the Property shall be processed in conformance with the La Plata Code for property within La Plata County and the San Juan Code for property within San Juan County, as such Codes are in effect at the time of subdivision, subject to the following subsection 2.10.1:

2.10.1 Purgatory Village Bulk Parcels.

The approved Purgatory Village Conceptual Plan (“PVCP”) provides for the subdivision and platting of portions of Purgatory Village into “Bulk Parcels”. This Subsection 2.10.1 shall define the term “Bulk Parcel” and shall set forth the process and criteria for approval of the creation of such Bulk Parcels. To the extent that this Subsection 2.10.1 conflicts with the terms of the PVCP, this Subsection 2.10.1 shall control.

a. **Bulk Parcel Defined.** A Bulk Parcel is a tract of land within PVCP that may be created by recordation of a final plat pursuant to the provisions of this subsection 2.10.1 and that may be created for the purpose of conveyance from the Owners to a third party for further development and/or subdivision. A Bulk Parcel may be conveyed by reference to the recorded plat that creates such Bulk Parcel; however, a Bulk Parcel may not be developed, nor may any building permits be issued for a Bulk Parcel, without a land use permit having first been obtained from La Plata County in accordance with the PVCP, the DMR Regulations, and the La Plata County Code. Bulk Parcels may be created in Purgatory Village only.

b. **Procedures for Review & Approval of Bulk Parcel Plats.** An application for approval of a Bulk Parcel plat shall be exempted from the subdivision regulations of the La Plata County Land Use Code pursuant to C.R.S. § 30-28-101(10)(d). Instead, the following provisions shall apply to review and approval of Bulk Parcel plats:

i. An application for approval of a Bulk Parcel plat shall be submitted to the County and such plat, together with appropriate submittals, shall provide: all of the applicable information required by Section 2.3 (“Village Conceptual Plans”) of the DMR Regulations; and information regarding the maximum conceptual densities of commercial square footage and maximum conceptual densities of residential units for Single Family Dwellings/Multi-family Townhome/Hotel/Resort Condominiums that may be requested for development within the Bulk Parcel.

ii. A Bulk Parcel plat shall be approved at a public hearing before the Board of County Commissioners if the applicant adequately demonstrates that the information required by subsection 2.10.1(b)(i) is provided and if the Board determines that the proposed division of the property into the Bulk Parcel(s) is not within the purposes of the La Plata County subdivision regulations.



iii. Because a Bulk Parcel plat will ordinarily be processed as a subdivision exemption, the applicant need not show proof that the Bulk Parcel will have access to the state highway system in accordance with the highway access code as required by C.R.S. § 30-28-133.1 and C.R.S. § 43-2-147; however, the Owners, for themselves and for their successors and assigns, acknowledge and agree that future development and/or subdivision of the Bulk Parcel will require such proof.

c. **Required Plat Notes on Bulk Parcel Plats.** The recorded plats of Bulk Parcel(s) shall contain the following plat notes:

Further Permitting Required. No land use development is permitted on property within this Bulk Parcel plat and no building permits shall be issued for development on property within this Bulk Parcel plat until such time as an appropriate land use permit is obtained from La Plata County allowing such use. Land use development and issuance of building permits may occur if appropriate land use permit is obtained from La Plata County allowing such use. All land use development on property within this Bulk Parcel plat shall: (1) meet the applicable requirements of the La Plata County Land Use Code, the DMR Regulations, including the Master Infrastructure Plans, and the Purgatory Village Conceptual Plan; and (2) be conditioned upon the provision of necessary on-site and off-site infrastructure as required by the La Plata County Land Use Code, the DMR Regulations, including the Master Infrastructure Plans, and the Purgatory Village Conceptual Plan.

Future Infrastructure Obligations. At the time of development or as otherwise may be required, the Owner, its successors and assigns, of this (add Bulk Parcel description) is obligated to install and construct all on-site and off-site infrastructure required for the development of this Bulk Parcel as described in the Infrastructure Improvements Matrix Section of the Purgatory Village Conceptual Plan as amended.

The language of the foregoing plat notes may be amended by the County to more accurately conform to the facts and circumstances of the specific Bulk Parcel being created by such plat.

d. In its sole discretion, upon request by the Developer, the Board of County Commissioners may permit a Bulk Parcel in villages other than Purgatory Village, upon the terms and conditions set forth in this Section or such other terms and conditions required by the Board of County Commissioners.

2.10.2 **Phased Preliminary Plat.**

- A Preliminary Plat may be proposed to be final platted in multiple phases
- Phasing shall be shown as part of the original Preliminary Plat application
- Such phasing shall be clearly defined, including a separate plat sheet for each phase plus an overall layout of all phases on one plat sheet
- Phased Preliminary Plats shall establish the timing for off-site improvements associated with the initial development area
- Phased Preliminary Plats shall show all infrastructure to be constructed with each phase, including any temporary improvements needed until subsequent phases are completed



- Phased Preliminary Plats shall require additional information as may be required by County Engineer, Purgatory Metro District and other reviewing agencies
- When each phase of the preliminary plat obtains final plat approval, approval of the remaining area of the preliminary plat shall be effective for an additional 2-year period or as otherwise extended by the BOCC

2.10.3. **Waiver and Variances.**

Notwithstanding the above, in the event of the creation of an authorized bulk parcel, or other subdivided tract or parcel, resulting in a remainder tract, the County, in its discretion, may waive otherwise required subdivision regulations (i.e., resolution of encroachments), so long as the issue does not impact the bulk parcel(s) or other tract/parcel intended for development. This provision shall not permit waivers of any requirements of the DMR Land Use Regulations.

5. Conditional Land Use Permits and Grading/Land Disturbance Permits.

2.11.1 **Conditional Use Permit Procedures**

Conditional use permits shall be processed in conformance with the La Plata Code for property within La Plata County and the San Juan Code for property within San Juan County, as such Codes are in effect at the time of condition use application. Until such time that the La Plata Code contains a conditional use process, conditional use permits in La Plata County shall be processed in conformance with the applicable provisions (as determined by the Planning Director) of the Class II procedure.

2.11.2 **Grading Permits.**

Prior to commencing any of the following earthwork, grading, or excavation activities, Owners shall apply for and obtain a Grading Permit from the County: (a) the importing or exporting of materials from one phase of development to another; (b) onsite and offsite road construction; and (c) onsite and offsite utility installation. "Offsite" shall be defined as: (a) any area within the Property, as defined in the Development Agreement; (b) any additional contiguous land acquired by Owners from the U.S. Forest Service, which may be added and incorporated into the Property; and (c) any easements acquired by Owners across or in connection with the acquisition of additional contiguous land from the U.S. Forest Service.

An application for a Grading Permit shall meet all applicable standards from the Development Agreement as amended, and/or the County Code where applicable, except as set forth herein. A Grading Permit may only be issued for property which has a County-approved Village Conceptual Plan, and at least one phase of development within such Village shall have received, or shall receive contemporaneously with the approval of the subject Grading Permit, preliminary plat approval from the Board of County Commissioners. A Grading Permit application shall clearly depict the following information: approval by the Purgatory Metropolitan District for the proposed grading; engineered plans that identify the limits of construction in all affected areas, including the limits of disturbed areas, steepness of all cuts/fill slopes, proposed profiles and cross sections of roads, method of compaction, drainage and erosion control measures, and revegetation measures. Work may commence prior to the platting of the Property, subject to the limitations and requirements contained herein. No work shall commence until a development improvement agreement and satisfactory assurances have been provided to, and accepted by, the County and Metro. Issuance of a Grading Permit and any improvements associated therewith shall not constitute a vested right to future development for the property associated with the Grading Permit.



Grading Permits may be issued administratively by the Engineering Department, Director of Community Development or applicable County official, in their discretion, and without any adjacent landowner or other administrative agency review; however, the Director of Community Development or applicable County official reserves the right to require notices to adjacent landowners or to require that a Grading Permit application be processed in conformance with the applicable provisions (as determined by the Director of Community Development or applicable County official) of the County Code. Grading permits must also be approved by the District Manager of the Purgatory Metropolitan District.

6. Section 2.13 (“Amendment to Governing Documents”) of the DMR Regulations is hereby revoked in its entirety and replaced with following new Section 2.13:

2.13 Amendments to Governing Documents. Either County and/or Owner/Applicant may, at any time, request amendments in writing to the Development Agreement, DMR Regulations, and Master Plan. At a minimum, the Development Agreement, DMR Regulations and Master Plan shall be reviewed by Owner/Applicant and the Counties’ planning staffs every five (5) years after the effective date of the Development Agreement. If, at any time, any party desires to amend the Development Agreement, DMR Regulations, and/or Master Plan, the recommended amendments shall be submitted to the Joint Planning Commissions of both Counties for a recommendation to the Boards of County Commissioners, which shall be followed by review by both Counties’ Boards. All requested amendments must be acted upon by the Joint Planning Commission and both County Boards within 180 days (unless an extension is consented to by the requesting party). If no action is taken by one or both of the County Boards within 180 days, such request shall be deemed to have been approved by the County Board which took no action on the requested amendment. All approved amendments must be executed by Owners and both Counties’ Boards prior to such amendment being binding upon Owner/Applicant and the Counties, followed by recordation in the real property records of the each Counties.

7. The following new Section 2.15 shall be added:

2.15 Development Improvement Agreement. The standard County Development Improvement Agreement (“DIA”) shall be modified to reflect the provisions related to the issuance of Building Permits and/or a Certificates of Occupancy set forth in Section 4.4 below.

8. The Table in Section 4.1 is replaced with the following:

Table 4.1 – Project Wide and Village Maximum Conceptual Densities (current)

Village	Land Uses	Residential Units	Commercial GSF
Purgatory Village	Single Family dwellings	52 DU	
	Townhomes	152 DU	
	Resort Condominiums/Hotel	434 DU	
	Commercial		
	Lodge		
	Cabins		
	Recreational Vehicle Parking		
	Maintenance, Service, Utility		
Maximum Conceptual Density		= 638 DU	170,000 GSF



Base Camp Village	Resort Condominiums/Hotel Townhomes Commercial Lodge Cabins Maintenance/Service/Utility	316 DU	
Maximum Conceptual Density		= 316 DU	180,000 GSF
Tacoma Village	Single family dwellings Townhomes Commercial Maintenance/Service/Utility	128 DU 171 DU	
Maximum Conceptual Density		=299 DU	60,000 GSF
Engineer Village	Single family dwellings	125 DU	
Maximum Conceptual Density		=125 DU	0 GSF
Grayrock Village	Single family dwellings Townhomes	45 DU 83 DU	
Maximum Conceptual Density		128 DU	0 GSF
Boyce Lake Estates	Single family dwellings Equestrian Facility	143 DU	
Maximum Conceptual Density		=143 DU*	0 GSF
Project Total		1649 DU	410,000 GSF

*Increased density (from 137 to 143 DU) in Boyce Lake Village is subject to County approval of the Boyce Lake Village Conceptual Plan.

- Employee housing units and caretaker units shall be exempt from the project-wide and Village unit count maximums.
- Short-term rentals of all single-family, multi-family, hotel, lodge and cabin units is specifically permitted subject to the policies and procedures of the particular rental program and CC&Rs governing a particular development parcel or Village.
- The above Table shall be updated and recorded as part of each 5 year review. County staff shall track modifications that occur in the interim.

9. Section 4.4 (“Building Permits”) of the DMR Regulations is hereby revoked in its entirety and replaced with the following new Section 4.4:



4.4 Building Permits

Except as otherwise provided in this Section 4.4, building permits and improvement or use permits shall be issued in accordance with the appropriate County Code; provided, however, that building or improvement or use permits shall be issued for the uses set forth below to an Applicant at such time (but only at such time) as the Applicant meets all applicable County requirements and has provided to the County certificates issued by the Durango Fire and Rescue Authority (DFRA), Metro, and the Durango Mountain Resort Design Review Board (DRB) approving the proposed improvements for which the building permit is being sought. In no case shall a structure be constructed across the County line.

4.4.1 Model Homes, Multi-Family Residential Units, Commercial Units. Building permits for the construction of model homes, multi-family residential units, and commercial units may be issued by the applicable County prior to the completion and acceptance of all required public and private improvements that are included or required as a condition of the applicable land use approval, provided that the Applicant(s) to whom approval has been given meets all of the following conditions:

a. A final plat for a single family residential development, or a preliminary plat/conditional use permit for multifamily residential/commercial development, has been accepted and approved by the Board of County Commissioners;

b. A fully executed and recorded Development Improvement Agreement to build all public improvements required by the Applicant by a County has been accepted and approved by the applicable County and Metro. In addition to meeting the requirements of Section 2.4 of the DMR Land Use Regulations, such Development Improvement Agreement shall also be secured by such assurances as deemed appropriate and acceptable to Metro based on Metro's and County Engineers' estimate of the cost of the construction of the public improvements;

c. A Development Improvement Agreement to build all private improvements required of an Applicant by a County, secured by assurances acceptable to the County, has been fully executed by the Applicant(s) and the applicable County, and has been recorded in the applicable County;

d. The surface of the access road, including road widths, grades, centerline radius, and height clearance, (together with necessary turnarounds and pullouts) providing access to the property for which a building permit(s) has been requested have been improved with a rough grade surface acceptable to Metro, and the applicable County engineer, and are deemed sufficient in the opinion of DFRA to support emergency equipment;

e. Construction staging and parking areas acceptable to Metro and the applicable planning Director have been provided;

f. Adequate sanitary facilities have been provided.

4.4.2 Foundation-Only Permits. Any Owner, so long as it has received prior approval from DFRA, Metro, and DRB, may apply for and obtain a foundation-only permit, at any time after the recording of a final plat. To the extent that subdivision improvements remain to be completed, the right to obtain a permit or certificate of occupancy shall only exist so long as adequate security for the final completion of improvements remains in place. Any owner receiving a permit prior to the completion of improvements and release of the county or metro district DIA shall sign a waiver, release and hold harmless agreement in favor of the county and metro district in the event a certificate



of occupancy cannot be issued for any reason, or in the event of any accidents, damages, injuries or claims of any kind, related to the construction of improvements by any party. This provision shall not apply in San Juan County.

Building permits for the above ground portions of any wooden construction shall not be issued until waterline(s) and fire hydrants have been installed, tested and accepted by Metro, or alternate fire protection acceptable to DFRA has been provided to the property.

4.4.3 Certificates of Occupancy. Certificates of Occupancy issued by the appropriate County shall be required for all buildings. No occupancy of a building shall occur until issuance of a Certificate of Occupancy. No certificates of occupancy shall be issued until all essential public and private improvements (water, sewer, drainage and electric) are substantially completed and fully functioning, and approved by the County and/or Metro, as applicable, and the assurances in the form of adequate security remain in place, or such improvements are satisfactorily completed and accepted by the appropriate agency, with any remaining security having been fully released. Certificates of Occupancy may be issued prior to the completion of paving in a subdivision, but not before the installation and approval of the essential public and private improvements listed above.

10. Sections 4.10.3, 4.10.4, 4.10.5 and 4.10.6 regarding Lot and/or Townhome Standards are hereby amended to add “measured to the perimeter of building envelopes within subdivisions” after “20 foot setback from public lands”; and to add “measured to the perimeter of building envelopes within subdivisions” after “20 foot setback from open spaces”.

11. Sections 4.10.2, 4.10.3, and 4.10.4 are hereby amended to revoke the “bullets” regarding disturbance on 30% or greater slopes in their entirety and the following is substituted in its place:

There shall be no disturbance on sections of 30% or greater slopes that have a vertical rise greater than or equal to 15 feet in height with the following exception. The base of a 30% or greater slope that has a vertical rise of greater than 15 feet in height may be disturbed provided that such disturbance is no more than 15 feet in height and further provided that there is a concurrent dedication of additional open space (beyond existing requirements) at a ratio of 1 to 1, open space to 30% slope impact area. The additional open space shall be subject to County approval but may be in any Village and excess open space from prior phases shall be counted, but shall not comprise steep slopes, wetlands, required setback areas or other non-developable acreage. All disturbances of 30% or greater slopes shall require certification by a professional geotechnical engineer through a geotechnical investigation on the parcel prior to plat review. All recommendations, standard procedures and special precautions contained within the investigation shall be implemented.

12. The following “bullet” is added to Section 4.9 (“Site Design Standards”):

- Notwithstanding any other provision to the contrary, unless required by the County, no building envelopes need be shown on any plat. At Applicant’s discretion, building envelopes may be established on a final plat and administered by the DMMA Design Review Board. All building envelopes shall comply with the DMR Development Agreement and Land Use Regulations (size, location), including being properly located outside of and the appropriate distance from all utility easements and other setbacks. The Design Review Board shall have the responsibility and authority to determine the location and amend, if appropriate, any proposed building envelopes, subject to the requirements of the Land Use Regulations.
- For lots with designated building envelopes, Owner shall be entitled to adjust building envelopes without the necessity of a plat amendment or Board approval, so long as there is no



net increase in the size of the building envelope and subject to the approval of the DRB, followed by the Director of Community Development. Owner shall supply a document in recordable form, executed by the above parties, together with a map showing both the adjusted and former building envelope locations.

13. Section 4.10.6 is amended to reflect the following additions:

- Maximum building height for single family residences: 35 feet
- For single family residences and townhomes, the building setback shall be 20 feet from the edge of the paved roadway, unless side-loaded driveways/garages are utilized.

14. Section 5.11.2 is amended to reflect the following additions:

- Counties may request a tree survey (type, size, location) as a monitoring tool for development in critical scenic corridor and buffer areas.
- Requirements for creating defensible space shall be analyzed in conjunction with, and shall be subordinate to, scenic view standards.

15. Section 5.13 (Wetland Impact/Mitigation) is deleted and replaced with the following:

Developer has obtained a project wide Department of the Army 404 Permit (DA #200175166). Development may occur without written approval from the Corp for any parcel or phase that does not involve impacts to the waters of the US, including wetlands, the “preserve” buffer, and/or “non-exempt” areas.

Detailed plans, including Storm Water Management Plans, must be submitted and reviewed by the Corp Durango Office for any phase that does involve impact to waters of the US, including wetlands, “preserve” buffer, and/or “non-exempt” areas. Construction shall not commence until the Corp either concurs with a “no effect” finding of the “non-exempt” areas or provides written approval in accordance with the terms of Developer’s Permit.

The provisions of the 404 Permit shall be adhered to at all times. This includes but is not limited to compliance with specified jurisdiction lines, dredge/fill limits, buffers, mitigation areas, mitigation techniques and monitoring requirements. In the event a proposed land use development creates a conflict between the provisions contained within the Governing Documents or the County codes and the provisions contained within the 404 Permit, the provisions of the 404 Permit will prevail and the proposed land use development must be redesigned in order to comply with the 404 Permit. The provisions of the 404 Permit may preclude development of the Property to the Maximum Conceptual Densities contained within these DMR Regulations.

16. Section 5.21 Last paragraph replaced with the following:



Prior to platting of the 150th unit project wide, the applicant shall provide a written emergency response plan for trails in and immediately adjoining Durango Mountain Resort to the Director of Emergency Preparedness of La Plata County and the San Juan County Sheriff who shall comment and indicate required changes if necessary. The plan shall include trail layout, vehicle access points and response staging areas for incidents on the trails on private property.

17. Miscellaneous. The term “Engineer Village” shall replace the term “Woodlands Village” throughout the Development Agreement.

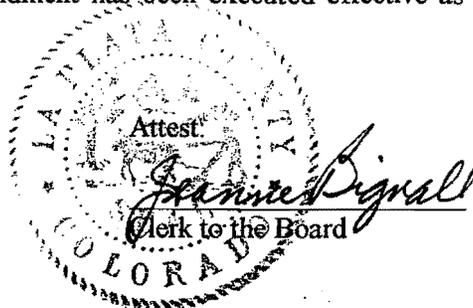
18. As amended hereby and by the First and Second Amendments the Development Agreement, including the CDP, is in all respects ratified, approved, and confirmed and shall remain in full force and effect.



IN WITNESS WHEREOF, this Third Amendment has been executed effective as of the date written above.

BOARD OF COUNTY COMMISSIONERS
OF LA PLATA COUNTY, COLORADO

By: Kenneth C. Hatter
Chairperson



BOARD OF COUNTY COMMISSIONERS
OF SAN JUAN COUNTY, COLORADO

By: Ernest F. Kuhlman
Chairperson

Attest:
Ladonna S. Jaramillo
Clerk to the Board

PURGATORY METROPOLITAN DISTRICT, a Colorado non-profit corporation

By: Jefferson Watson
Jefferson Watson, President

DSC/PURGATORY, LLC, d/b/a Durango Mountain Resort, a Colorado limited liability company

By: Gary S. Derck
Gary S. Derck, CEO

DURANGO MOUNTAIN LAND COMPANY, LLC, a Colorado limited liability company

By: Gary S. Derck
Gary S. Derck, CEO

PURGATORY VILLAGE LAND, LLC, a Colorado limited liability company

By: Gary S. Derck
Gary S. Derck, CEO

PURGATORY VILLAGE HOLDINGS, LLC, a Colorado limited liability company

By: Gary S. Derck
Gary S. Derck, CEO

DURANGO MOUNTAIN HOLDINGS, LLC, a Colorado limited liability company

By: Gary S. Derck
Gary S. Derck, CEO

WINDOM PEAK, LTD., a Colorado limited partnership

By: John Wells
John Wells, General Partner



STATE OF COLORADO)
)ss.
COUNTY OF LA PLATA)

The foregoing instrument was acknowledged before me this 21st day of June, 2011, by Kellie C. Hatter Chairperson of the BOARD OF COUNTY COMMISSIONERS OF LA PLATA COUNTY, COLORADO, and Jeanne Bynall County Clerk for La Plata County, Colorado, who acknowledged the signing and execution of this instrument as the duly authorized act of said entity. In testimony whereof, I have hereunto set my hand and affixed my notarial seal on the day and year aforesaid.

My commission expires on 2/25/12

Jessica Wilson - Sawlik
Signature of Notary Public

STATE OF COLORADO)
)ss.
COUNTY OF SAN JUAN)

The foregoing instrument was acknowledged before me this 15th day of June, 2011 by Patrick F. Kuhlman Chairperson of the BOARD OF COUNTY COMMISSIONERS OF SAN JUAN COUNTY, COLORADO, and Ladonna L. Quamilla County Clerk for San Juan County, Colorado, who acknowledged the signing and execution of this instrument as the duly authorized act of said entity. In testimony whereof, I have hereunto set my hand and affixed my notarial seal on the day and year aforesaid.

My commission expires on 6/17/15

Melody A. Skinner
Signature of Notary Public

STATE OF COLORADO)
)ss.
COUNTY OF LA PLATA)

The foregoing instrument was acknowledged before me this 25th day of May, 2011 by Jefferson Watson, who attested that he is the President of PURGATORY METROPOLITAN DISTRICT, and who acknowledged the signing and execution of this instrument as the duly authorized act and deed of said entity. In testimony whereof, I have hereunto set my hand and affixed my notarial seal on the day and year aforesaid.

My commission expires on 11-4-2014

Frank White
Signature of Notary Public

STATE OF COLORADO)
)ss.
COUNTY OF LA PLATA)

The foregoing instrument was acknowledged before me this 23rd day of May, 2011 by Gary S. Derck who attested that he is the CEO of DSC/PURGATORY, LLC, d/b/a Durango Mountain Resort, a Colorado limited liability company, as CEO of DURANGO MOUNTAIN LAND COMPANY, LLC, a Colorado limited liability company, as CEO of PURGATORY VILLAGE LAND, LLC, a Colorado limited liability company, as CEO of PURGATORY VILLAGE HOLDINGS, LLC, a Colorado limited liability company, and as CEO of DURANGO MOUNTAIN HOLDINGS, LLC, a Colorado limited liability company, who acknowledged the signing and execution of this instrument as the duly authorized act and deed of said entities. In testimony whereof, I have hereunto set my hand and affixed my notarial seal on the day and year aforesaid.

My commission expires on 8-4-12

J. Schraub
Signature of Notary Public



1036578 10/4/2011 9:48 AM
14 of 14 DIA R\$0.00 D\$0.00

Tiffany Lee Parker
Laplata County Clerk

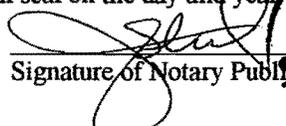
STATE OF COLORADO)

)ss.

COUNTY OF LA PLATA)

The foregoing instrument was acknowledged before me this 23rd day of May 2011 by John M. Wells who attested that he is the General Partner of WINDOM PEAK, LTD, a Colorado limited partnership who acknowledged the signing and execution of this instrument as the duly authorized act and deed of said partnership and in full and true testimony whereof, I have hereunto set my hand and affixed my notarial seal on the day and year aforesaid.

My commission expires on 8-4-12


Signature of Notary Public

