

**DEVELOPMENT AGREEMENT
SHERIDAN SHOPS**

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THIS DEVELOPMENT AGREEMENT ("Agreement") is entered into and made between SHERIDAN SHOPS, LLC, a Colorado Limited Liability Company, whose address is c/o Drake Real Estate Services LLC, 600 17th Street, Suite 700 South, Denver, CO 80202, hereinafter referred to as "Owner/Developer", CITYWIDE BANKS, hereinafter referred to as "Deed of Trust Holder", and the CITY OF ARVADA, COLORADO, a Colorado Municipal Corporation, hereinafter referred to as the "City." This Agreement shall be effective following its execution by all applicable parties, and immediately upon approval by the City of Arvada as evidenced by the approval signature where indicated below.

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RECITALS AND REPRESENTATIONS:

WHEREAS, The Owner/Developer represents that, prior to the commencement of construction, it shall be the sole owner of the property described in the attached Exhibit A, located in the City of Arvada, County of Jefferson, State of Colorado; hereinafter referred to as the "Subject Property".

WHEREAS, the Owner/Developer is planning the development of one new retail building on the Subject Property for use as a financial institution. The Owner/Developer's development and construction plans include the installation of sanitary sewer facilities, water line facilities, storm drainage facilities, streets, walks, and landscape improvements as shown on City Job No. 3197.

WHEREAS, the Owner/Developer has submitted to the City a proposed site plan set for Sheridan Shops on the Subject Property, which includes a final plan for development, final landscape plan, final drainage plans, architectural elevations, and other supporting documentation for the development of the Subject Property. The approved site plan set and approved final construction documents, hereinafter referred to together as "Final Plans", are public records on file and available for review at the City of Arvada, City Hall, 8101 Ralston Road, Arvada, Colorado. The Final Plans are also incorporated into this Agreement for all purposes including illustration and interpretation of the terms and conditions of this Agreement. In the event of a conflict between this agreement and the Final Plans, the Final Plans shall govern.

WHEREAS, the parties hereto understand and agree that the intent of this agreement is to establish obligations and responsibilities in the event of development of the Subject Property in accordance with approved Final Plans, said obligations and responsibilities being covenants that run with the land, encumbering such property and governing the development thereof. The Owner/Developer herein shall be affirmatively bound to satisfy all of the obligations and responsibilities set forth herein.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and agreements of the parties, the approval by the City of Arvada of the Final Plans for Sheridan Shops on the Subject Property, the dedication of certain right-of-ways and easements to the City and other good and valuable considerations, the sufficiency and adequacy of which are hereby acknowledged by the parties, the parties hereto agree as follows:

1. PLANS AND AGREEMENT APPROVALS. The Owner/Developer, upon final approval of the Final Plans for Sheridan Shops, shall immediately submit three copies of the approved site plan to the Community Development Director and further, the Owner/Developer must file with the City Engineer eleven (11) copies of the approved final construction plans for the

construction of emergency access lanes, water lines, storm drains and storm drainage structures and streets associated with the development as required by the City. Said construction drawings shall meet the approval of the City and the proposed development shall be constructed according to the final construction and development plans. No approval of the public improvements construction plans is conferred by this Agreement and approval shall be independently made by the City Engineer following City staff review and comment and following the City Engineer's determination that the plans meet the applicable City engineering specifications, commonly accepted engineering practices, and all applicable codes, ordinances, and state, federal and local laws. Further, the Owner/Developer shall file with the City an original or sepia reproducible copy of the as-built construction plans of said public improvements upon the completion of the improvements. Said as-built plans shall be delivered to the City prior to commencement of the two-year warranty for said public improvements.

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2. PUBLIC IMPROVEMENTS. The Owner/Developer shall, at its own expense, design, furnish, construct, and install the improvements including, but not limited to all public/private streets, alleys, driveways, parking areas, water lines, and drainage facilities within and adjacent to subject property in accordance with the approved final construction plans and specifications approved by the City of Arvada, Colorado (City Job No. 3197). All public improvements constructed by the Owner/Developer in public rights-of-way, easements, streets or alleys shall become the property of the City immediately upon acceptance of said improvements by the City and the Owner/Developer shall warrant said improvements for two years from the date of acceptance by the City. The Owner/Developer shall complete the process of placing completed public improvements under warranty promptly upon their completion. These improvements must be completed prior to issuance of the certificate of occupancy for Sheridan Shops unless specified differently herein. The City may request, and Owner/Developer shall provide at the Owner/Developer's cost, documentary evidence satisfactory to the City that any public rights-of-way, easements, or other property dedicated, conveyed, acquired, devised, or granted to the City are free and clear of encumbrances which, in the sole opinion of the City, defeat, limit, or impede the City's ability to use the public property as intended. The Owner/Developer acknowledges that no construction may occur and no building permits may be issued until construction documents for all required public improvements are submitted and approved by the City Engineer.

3. STREET IMPROVEMENTS AND MAINTENANCE. The Owner/Developer shall maintain, in a reasonable, suitable and proper condition for travel, ingress and egress, all streets, alleys and access ways included within the construction plans for Sheridan Shops until they are completed and accepted for maintenance by the City. The Owner/Developer shall take all steps necessary to limit and prevent the accumulation of, and to remove mud, sediment, dirt, dust, trash, and other debris that is "tracked", blown or carried onto public property or off-site onto private property during development. Such obligation shall continue until all development within Subject Property is complete and the City accepts the public improvements for maintenance. If the Owner/Developer fails to remedy any conditions caused or generated by the development as contemplated by this paragraph within twenty-four (24) hours of oral or written notice by the City, the City may enter Subject Property, streets, and public ways to remedy such conditions and the Owner/Developer shall pay the City any and all costs incurred by the City in remedying such conditions. Payment of such costs shall be made immediately upon request by the City. The City may limit or revoke building permits or certificates of occupancy until such time as costs incurred pursuant to this agreement are paid in full. Nothing herein shall obligate the City to remedy such conditions or shall limit the City in its selection of the method or manner of remedy, including but not limited to contracting with an individual or company to remedy such conditions. The Owner/Developer shall replace any broken, damaged, or settled concrete that fronts any lot as deemed necessary by the City, prior to the issuance of the final certificate of occupancy for any

building within the development.

4. RIGHTS-OF-WAY. The Owner/Developer shall comply with all applicable provisions of Chapter 27, Article V, Sections 27-200 through 27-226 of the Arvada City Code, entitled "Rights-of-Way". This article contains requirements including, but not limited to, developer escrow for public improvements in public right-of-way and street surface restoration for public streets.

5. DETENTION MAINTENANCE. The Owner/Developer shall obtain approval from the City Engineer of the final drainage plan prior to approval of the construction plans. Drainage easements shall be dedicated to the City for all detention areas and drainage channels, which shall be privately maintained in perpetuity by the Owner/Developer, its successors or assigns. In no event shall the City be responsible for constructing or maintaining the drainage/detention facilities within the Subject Property.

6. LANDSCAPE, PARK, AND TRAIL IMPROVEMENTS. The Owner/Developer, its successors, or assigns, shall maintain, at its sole expense, the landscaping, fencing, and recreational amenities (collectively referred to as "landscaping") as illustrated on the approved site plan for Sheridan Shops. The Owner/Developer, its successors, or assigns shall maintain said landscaping in perpetuity pursuant to the approved Final Plans, regardless of whether the landscaping as installed fails to specifically conform to the requirements of the approved Final Plans and regardless of whether the Owner/Developer or the City installs the landscaping. If the landscaping improvements are delayed due to reasons beyond the Owner/Developer's control, such as adverse weather conditions, the Owner/Developer shall deposit funds with the City for escrow in an amount equal to 150% of the estimated cost of the remaining landscaping elements that are not installed prior to issuance of certificates of occupancy. A landscape contractor, acceptable to the City, shall make a determination of the estimated cost of improvements. The City, at its sole discretion and upon the City's rejection of an estimate provided by the Owner/Developer, may obtain an estimate of the costs of landscaping. Such estimate shall be binding upon the Owner/Developer in determining the amount of funds to be escrowed for purposes of this paragraph.

The City shall release its interest in the escrowed funds only upon completion of all landscaping obligations by the Owner/Developer and approval of such by the City. In the event that the Owner/Developer defaults upon its obligations as specified in this paragraph, following the escrow of funds, the City may apply all funds toward the completion of the Owner/Developer's landscaping obligations. For the purpose of applying such funds toward the completion of the Owner/Developer's landscaping obligations, "completion" shall mean and include the cost of labor, materials, contract management, and administration. The City shall refund the escrowed funds not applied to completion of landscaping required by the final landscape plan upon application and verification of entitlement. The method and manner in which the City elects to undertake and complete the landscaping obligations of the defaulting Owner/Developer shall be within the sole discretion of the City; provided, however, that nothing herein shall obligate the City to install or complete the landscaping improvements and nothing herein shall prevent, prohibit, or limit the remedies available to the City to enforce the Owner/Developer's obligations under this paragraph.

7. SIGNAGE AND FENCING. The Owner/Developer agrees that all signage and fencing for Sheridan Shops must conform to the requirements of Article 6 of the Arvada Land Development Code, and the approved site plan. No signage or fencing illustrated on the site plans is deemed approved by the City as part of the site plan approval. All fences and signs shall require separate permits and approvals through the City's Code Enforcement Division prior to construction/installation.

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8. LANDSCAPING AND FENCING MAINTENANCE. The Owner/Developer or its heirs, successors, assigns, or transferees, including any property owner's association, shall maintain in perpetuity all landscaping and fencing installed within Subject Property pursuant to the Final Plans, regardless of whether the landscaping and fencing, as actually installed, fails to specifically conform to the requirements of the Final Plans and regardless of whether the Owner/Developer or the City installs the landscaping and fencing.

9. SUBDIVISION MONUMENTATION. In accordance with the applicable Colorado Revised Statutes as amended, and in accordance with Section 7.7 of the City's Land Development Code, the Owner/Developer shall establish all subdivision monumentation and have the monumentation approved by the City prior to issuance of the certificate of occupancy for any building on the Subject Property.

10. UNDERGROUNDING OVERHEAD UTILITIES. Owner/Developer shall be responsible for undergrounding all existing overhead utilities in conjunction with the construction of this development in accordance with the Arvada Land Development Code. These improvements must be completed prior to the issuance of the first certificate of occupancy for any building on the Subject Property and shall be completed at no cost to the City.

11. LIGHTING RESTRICTIONS. Cut-off type fixtures with flush mounted flat lenses that cast light downward and not out toward adjacent properties must be used. All exterior lighting specifications must comply with the Arvada Land Development Code and be approved by the Community Development Department prior to issuance of the first building permit within Subject Property. All lighting associated with Subject Property shall be extinguished within 1 hour of closing (except for that needed for security purposes) and shall remain off until 1 hour prior to opening. Should it be determined by the City, at a later date, that lighting on this site is problematic to adjacent properties the Owner/Developer shall adjust the light fixtures to resolve the issue to the City's satisfaction.

12. FUGITIVE DUST AND EROSION CONTROL. The Owner/Developer shall meet all requirements and obligations imposed by the State of Colorado concerning management of stormwater and runoff and fugitive dust and shall comply with all State imposed requirements associated with state permits issued or governing the stormwater detention ponds and fugitive dust and erosion control. The Owner/Developer shall provide a copy of said permit to the City Engineer. Further, the Owner/Developer shall fully comply with the applicable sections of the City's Soil Erosion and Sediment Control Ordinance, sections 15-50 through and including 15-58 of the Arvada City Code, and in particular shall comply with section 15-54 pertaining to the use of reasonable practices to control soil erosion and sediment generated by the development of the property. Compliance with the erosion control shall be a pre-condition of obtaining building permits or certificates of occupancy, as the case may be. The City may deny or revoke any permit issued to the Owner/Developer in the event of non-compliance with the state or City requirements. The Owner/Developer shall also follow any new standards that the City may adopt for erosion control due to drought conditions.

13. PAYMENT OF FEES AND CHARGES. The Owner/Developer shall comply with all the ordinances, rules and regulations of the City and shall pay all fees and other charges in a timely manner as required by the City, including but not limited to building permits, inspection fees, tap fees, drainage fees and departmental review fees imposed by the City by ordinance, rule, resolution, motion, or by the terms and conditions of this Agreement. Unless otherwise agreed to by the City, the Owner/Developer's payment of fees and charges specified by this Agreement shall be made in the form of certified funds, cashier's check, or cash delivered to the City of Arvada, City Hall, 8101

Ralston Road, Arvada, Colorado 80001. The City shall not accept personal or business checks or drafts not certified by a financial institution as payable.

14. RECORDATION FEES. The City of Arvada shall record the approved development agreement and minor plat for Sheridan Shops with the Clerk and Recorder's office of the appropriate County. Prior to recordation, the Owner/Developer shall provide the City with an updated title commitment to ensure that all parties in interest sign this agreement. Prior to recordation, the Owner/Developer shall also pay all costs associated with recordation of these items with the Adams County Clerk and Recorder. 5

15. PUBLIC UTILITY FEES. The Owner/Developer shall pay all installation charges for lighting, electric and gas required by Public Service Company (Xcel Energy) for this development.

16. FIRE PROTECTION DISTRICT APPROVALS. The Owner/Developer shall address all of the comments noted in the referral responses, including requirements for fire hydrants and fire lane signage, and shall obtain approval from the Arvada Fire Protection District prior to issuance of a building permit and certificate of occupancy (as applicable) for the Subject Property.

17. CONTRACTOR LICENSING. Before proceeding with any work contemplated herein, the Owner/Developer shall ensure that all contractors and/or subcontractors employed by the Owner/Developer shall be licensed by the City before the contractor and/or subcontractor may commence work on any improvements associated with this development.

18. DELAYS. The parties have executed this contract such that completion of the improvements shall be subject to strikes, accidents, acts of God, weather conditions, which justify a delay in construction in light of standard practices in the building profession, inability to secure labor, fire regulations or restrictions imposed by any government or governmental agency, or other delay resulting from events which are beyond the control of the delaying party and which are agreed to by the parties as justifying delay.

19. INSTALLATION OF PARKING AND HARD SURFACE ACCESS. The Owner/Developer shall install, sign and stripe all parking and hard surface areas within Subject Property, in conformance with the Arvada Land Development Code, as illustrated on the approved site plan prior to the issuance of a Certificate of Occupancy for any building on the Subject Property. The Owner/Developer shall comply with "Interpretation of Hard Surface Areas," Arvada City Code, Sections 30-46 through 30-83 as amended and with the Arvada Land Development Code.

20. SCREENING OF MECHANICAL EQUIPMENT. The Owner/Developer shall screen all roof mounted and wall mounted equipment from view pursuant to Section 6.6.4.F.3 of the Land Development Code to the satisfaction of the City of Arvada Community Development Director prior to issuance of a certificate of occupancy for any building on the Subject Property.

21. TRASH ENCLOSURES. The Owner/Developer shall construct the trash enclosures in conformance with the approved site plan and per Section 6.5.11 of the Land Development Code, prior to the issuance of a certificate of occupancy for any building on the Subject Property. The trash enclosures, including the gates, must be constructed of non-combustible materials, and have an architectural design compatible with the primary permitted structure, using matching colors and materials. The Owner/Developer shall keep the trash enclosure gate closed at all times except for the periodic moments when access is needed to place trash within the containers, or empty or replace the trash receptacles themselves.

22. SITE PLAN. Development of Subject Property must be in conformance with all aspects of the approved site plan and shall be completed prior to the issuance of the first certificate of occupancy for any building on the Subject Property. This shall include, but not be limited to, street and parking lot paving and striping, landscaping, trash enclosures screening, rooftop and wall mounted equipment, building elevations, and all other requirements of the approved plans and codes.

23. WAIVER. A waiver by any party to this Agreement or the breach of any term or provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either party.

24. BINDING EFFECT. The parties hereto agree that this Agreement, by its terms, shall be binding upon the successors, heirs, legal representatives, and assigns thereof and shall constitute covenants running with the described property. In the event that all or part of the Sheridan Shops development is sold, transferred, or otherwise conveyed to additional or multiple parties, all Owners shall be jointly and severally responsible for the obligations of the Owner/Developer as set forth in this Agreement.

25. SEVERABILITY. Invalidation of any of the provisions of this Agreement or any paragraph sentence, clause, phrase, or word herein or the application thereof in any given circumstance shall not affect the validity of any other provision of this Agreement. This Agreement may be amended only by an instrument in writing signed by the parties.

26. NO THIRD PARTY BENEFICIARIES. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the City and Owner/Developer, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third person on such Agreement. It is the express intention of the City and Owner/Developer that any person other than the City or Owner/Developer receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

27. GOVERNING LAW AND ENFORCEMENT. The laws of the State of Colorado shall govern this Agreement. The parties agree and acknowledge that this Agreement may be enforced at law or in equity. In addition to any other available remedies, it is understood and agreed that the City may withhold or revoke any permits or certificates, including but not limited to building permits and certificates of occupancy, for this property or for any structure within this development in the event of a breach of this Agreement.

28. COMPLIANCE. The Owner/Developer shall comply with all the ordinances, rules and regulations of the City and pay all fees required by the City related to building permits, inspection fees, tap fees, and all charges normally required by the City, except as otherwise provided herein.

29. ATTORNEY'S FEES. If the Owner/Developer breaches this Agreement, Owner/Developer shall pay the City's reasonable costs and attorney's fees incurred in the enforcement of the terms, conditions, and obligations of this Agreement.

30. PARAGRAPH CAPTIONS. The captions of the paragraphs are set forth only for the convenience and reference of the parties and are not intended in any way to define, limit or describe the scope or intent of this Agreement.

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31. INCORPORATION OF EXHIBITS. Unless otherwise stated in this Agreement, exhibits referenced in this Agreement shall be incorporated into this Agreement for all purposes. Reference to "Job Numbers" or "Project Numbers" in this Agreement is a reference to construction plans and documentation which is retained as a public record on file and available for public inspection and review upon request at the City of Arvada, City Hall, 8101 Ralston Road, Arvada, Colorado. Such construction plans and documentation filed with the City and noted within this agreement are hereby incorporated into this agreement for all purposes.

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32. REVIEW OF REFERENCED DOCUMENTS. The Owner/Developer hereby understands and acknowledges that the public documents referenced in this Agreement, including but not limited to the Arvada City Code, Arvada Land Development Code, Engineering Specifications, Job Numbers, or Project Numbers were prior to the execution of this Agreement, and are presently available for review and inspection at the Arvada City Hall, 8101 Ralston Road, Arvada, Colorado, from 8:00 a.m. through 5:00 p.m., Monday through Friday.

33. NOTICES. Any notice or communication required or permitted by this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes if sent by certified mail or registered mail, postage and fees prepaid, addressed to the party to whom such notice is to be given at the address set forth on the signature page below, or at such other address as has been previously furnished in writing, to the other party or parties. Such notice shall be deemed to have been given when deposited in the United States Mail or mail service such as Federal Express, United Parcel Service, etc. Such notice or communications shall be given to the parties at their addresses set forth below:

City:
City of Arvada
Attn: City Manager (copy to City Attorney)
8101 Ralston Road
Arvada, Colorado, 80001-8101

Owner/Developer:
Sheridan Shops LLC
c/o Drake Real Estate Services LLC
600 17th Street, Suite 700S
Denver, CO 80202

Deed of Trust Holder:
Citywide Banks
P.O. Box 128
Aurora, CO 80040

34. INDEMNIFICATION AND HOLD HARMLESS. The Owner/Developer shall indemnify, hold harmless, release and discharge the City of Arvada and the city's officers, employees, agents, and contractors from all liability, claims, and demands, including reasonable attorney's fees and court costs, which arise out of or are in any manner connected with or related to the approval of the Final Plans for Sheridan Shops.

**EXHIBIT A
SHERIDAN SHOPS DEVELOPMENT AGREEMENT
LEGAL DESCRIPTION**

A PARCEL OF LAND SITUATED IN THE SE 1/4 OF SECTION 25, T.2 S., R.69 W., OF THE 6TH P.M., CITY OF ARVADA, COUNTY OF JEFFERSON, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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COMMENCING AT THE SE CORNER OF SAID SECTION 25; THENCE S89°55'30"W ALONG THE SOUTH LINE OF THE SE 1/4 OF SAID SECTION 25 A DISTANCE OF 120.54 FEET; THENCE N00°04'30"W A DISTANCE OF 55.00 FEET TO A POINT LYING ON THE NORTHERLY R.O.W. LINE OF 80TH AVENUE, SAID POINT BEING THE POINT OF BEGINNING;

THENCE CONTINUING S89°55'30"W ALONG SAID NORTHERLY R.O.W. LINE A DISTANCE OF 79.41 FEET TO THE SOUTHEASTERLY CORNER OF LOT 6, CUB SQUARE SECOND REPLAT AS RECORDED IN JEFFERSON COUNTY, COLORADO; THENCE N00°01'08"W ALONG THE EASTERLY LINE OF SAID LOT 6 AND PARALLEL WITH THE EAST LINE OF THE SE 1/4 OF SAID SECTION 25 A DISTANCE OF 145.00 FEET TO THE NORTHEASTERLY CORNER OF SAID LOT 6 AND THE SOUTHWESTERLY CORNER OF LOT 5, SAID CUB SQUARE SECOND REPLAT; THENCE N89°55'30"E ALONG THE SOUTHERLY LINE OF SAID LOT 5 A DISTANCE OF 147.00 FEET TO THE NORTHWESTERLY CORNER OF SAID TRACT OF LAND RECORDED AT RECEPTION NUMBER 87142414; THENCE ALONG THE WESTERLY AND NORTHERLY LINE OF SAID TRACT THE FOLLOWING THREE COURSES:

- 1) THENCE S00°01'08"E PARALLEL WITH THE EAST LINE OF THE SAID EAST 1/4 A DISTANCE OF 116.37 FEET;
- 2) THENCE S45°52'42"W A DISTANCE OF 36.86 FEET;
- 3) THENCE S85°45'08"W A DISTANCE OF 41.23 FEET TO THE POINT OF BEGINNING.

PARCEL CONTAINS 20,835 SQUARE FEET (0.4783 ACRES) MORE OR LESS.