



IRREVOCABLE LICENSE AGREEMENT

CBMR REAL ESTATE, LLC, a Colorado limited liability company, (CBMRRE) gives and grants to the TOWN OF MT. CRESTED BUTTE, a Colorado home rule municipality, (TOWN) an irrevocable license for public usage of certain trails within the TOWN under the terms and conditions hereafter set forth:

1. RECITALS. The following recitals apply to this Agreement:

1.1. CBMRRE is the owner of the real property described as the PROSPECT AT MT. CRESTED BUTTE (Prospect) and the NORTH VILLAGE PUD (North Village).

1.2. For the purposes of this Agreement the term "Prospect" does not include that portion of Prospect to be platted as "Prospect at Mt. Crested Butte, Phase 1" (Phase 1) as permanent trail easements are established in the Phase 1 final plat.

1.3. As of the date of this Agreement, certain Temporary Trails used by the general public for access to public lands exist over and across Prospect.

1.4. In Prospect, the Temporary Trails are generally depicted on Sheet OT of the approved preliminary PUD plan of Prospect at Mt. Crested Butte.

1.5. As a condition of final plan approval of Prospect, CBMRRE was required to provide for adequate trail access to public lands over any unplatted phases of Prospect at Mt. Crested Butte until such land was the subject of a final plat.

1.6. The term "Trail" or "Trails" or "Trail Easement" shall be as defined in the plat notes of final plat of Phase 1, or subsequent phases.

1.7. The term "Interim Trail" shall mean the interim trail to be situate in North Village as required by condition 66 of the preliminary plan approval of Prospect.

1.8. This Agreement addresses conditions 59, 66 and 70.

1.9. In consideration of this Agreement, Town has agreed that it will release this Agreement and the trails hereby licensed as to: (a) any portion of Prospect that is the subject of any final subdivision, PUD or condominium plat approved by the Town or upon any final platting or easement agreement establishing a permanent Trail Easement and (b) any portion of the North Village

that is the subject of any final subdivision, PUD or condominium plat approved by the Town or upon any final platting or easement agreement establishing the Bike and Recreation Paths as provided in Section 23.5 of the Annexation and Development Agreement along those portions of Gothic Road as described in Sections 23.3 and 23.4.

1.10. CBMRRE and Town acknowledge that this Agreement is temporary in nature to provide for a public access to the Trail system until the final platting of Prospect and the Interim Trail in the North Village until the Gothic Road Improvements have been completed in accordance with Section 23 of the Annexation and Development Agreement.

2. GRANT OF IRREVOCABLE LICENSE. CBMRRE, subject to the terms and conditions herein contained, hereby grants a non-exclusive irrevocable easement and right of way for the Temporary Trails and Interim Trail to the Town as follows:

2.1. As to the Prospect: Those Temporary Trail Easements shown on Sheet OT of the approved preliminary PUD plan for Prospect (excluding Prospect at Mt. Crested Butte, Phase 1 for which the final Trail Easements have been platted).

2.2. As to the North Village PUD: The Interim Trail easement set forth in condition 66 during the construction of the Gothic Road segments as set forth in Section 23 of the Annexation and Development Agreement at a location to be mutually agreed upon by CBMRRE and Town.

3. TERMS AND CONDITIONS OF LICENSE. The irrevocable license for the Trail Easements in Prospect and the Interim Trail Easement in the North Village are subject to the following terms and conditions:

3.1. All Permits and Easements between CBMRRE, Crested Butte Mountain Resort, Inc. and the United States Forest Service.

3.2. Any platted, dedicated, recorded or existing easements for roads, streets, rights of way, access or utilities.

3.3. Certain Temporary Trails or Interim Trails are in part located, or proposed to be located, on real property owned by the Town or other persons or entities and CBMRRE cannot bind such other parties to this Agreement.

3.4. The Town shall indemnify and hold harmless CBMRRE from any claims, demands, causes of action, damages or loss of any nature by the public's use of the Temporary Trails, and Interim Trails and shall endorse CBMRRE as an additional insured on the Town's comprehensive general liability insurance policy.

3.5. The Town shall be responsible for all use of the Temporary Trails and Interim Trails by the general public and to insure that the public does not trespass upon private property, deposit or leave trash or debris on or along such trails and comply with all reasonable conditions of usage.

3.6. Usage of any Temporary Trail or Interim Trail may be limited or curtailed in the event of any construction or other legitimate activity by CBMRRE. In such event, CBMRRE and Town will agree to a temporary relocation of a Trail or Interim Trail due to such activity.

3.7. Reserve Metropolitan District No. 1 shall establish and enact reasonable rules and regulations for the use for the Trails, Temporary Trails and Interim Trails and may post identification signs as to such trails and the use thereof.

3.8. Any Temporary Trail or Interim Trail required by the Town to cross any Wetland or Wetland set back (as defined either by the Corps of Engineers or by Town Ordinance) and not currently permitted is subject to relocation by the Town obtaining all required approvals and permits.

3.9. The public's use of the Temporary Trails is limited to walking, hiking, bicycling and cross country skiing unless other wise agreed between CBMRRE and the Town. All motorized vehicles are expressly prohibited except for trail construction, maintenance, grooming and repairs.

4. RELEASE OF IRREVOCABLE LICENSE. This Irrevocable License Agreement shall automatically terminate and be released as to any parcel or tract of land upon the occurrence of any one of the following conditions:

4.1. The filing in the records of Gunnison County, Colorado of any final plat of any tract of land approved by the Town within the Prospect, whether a subdivision plat, PUD plat or condominium plat, as to such parcel or tract of land.

4.2. The filing in the records of Gunnison County, Colorado of any amended plat of the North Village PUD approved by the Town, as to such parcel or tract of land.

4.3. The filing in the records of Gunnison County, Colorado of any plat, agreement or easement as to the permanent location of a Trail Easement or the Gothic Bike and Recreation Path executed by CBMRRE and the Town as to such parcel or tract of land.

4.4. The completion of a segment of the Gothic Road Realignment as required by Section 23 of the Annexation and Development Agreement as to the Interim Trail in the North Village.

In the event that any document is required to be executed and recorded by the Town to fully and completely release and terminate this Irrevocable License as above provided, the Town shall immediately do so.

5. ALTERNATIVE TRAILS. In the event that all or any portion of United States Forest Service lands cannot be used for any final trail as shown on Sheet OT, then CBMRRE shall establish, to the best of it's ability, an alternative trail plan as a part of any final plan approval for any subsequent phase of Prospect.

6. NOTICES. All notices and other communications required or permitted under this Agreement shall be in writing and shall be, as determined by the person giving such notice, either (1) hand delivered; (2) mailed by registered or certified mail, return receipt requested; (3) delivered by an overnight delivery service such as Federal Express or United Parcel Service; or (4) by telecopier, telegraphic or facsimile transmission. Service of such notice shall be deemed given and received when personally delivered, or 3 business days after mailing properly addressed with postage prepaid, or the day sent by telecopier or telegraphic or facsimile transmission, or the day following the delivery to an overnight delivery service with delivery charges prepaid. All notices shall be given to the required party at the following addresses:

CBMRRE: CBMR REAL ESTATE, LLC
 P.O. Box 5700
 600 Gothic Road
 Mt. Crested Butte, CO 81225

TOWN: TOWN OF MT. CRESTED BUTTE
 P.O. Box 5800
 Mt. Crested Butte, CO 81225

Notice shall be deemed delivered at the time of personal delivery, telecopier or telegraphic communication or when mailed to the required part. Any party may change its address by giving written notice of a change of address to the other party in the manner above provided.

7. AMENDMENT. This Agreement cannot be modified, amended or changed in any manner except by an agreement in writing signed by the parties hereto.

8. APPLICABLE LAW. This Agreement is executed in Gunnison County, Colorado, and shall be interpreted, construed and governed by the laws of the State of Colorado, except for Colorado choice of law principles.

9. JURISDICTION AND VENUE. Jurisdiction and venue of any action as to this Agreement and the interpretation, enforcement or the determination of the rights and duties of the parties hereto shall be in a District Court of the State of Colorado having jurisdiction. Each party submits to such jurisdiction and waives any and all rights under the laws of any other State.

10. ATTORNEYS' FEES. If any legal action is commenced or maintained in court, whether in law or in equity, by either party to this Agreement as to the interpretation, enforcement, construction, determination of the right and duties of the parties to this Agreement or any document provided herein, to obtain damages, the prevailing party in any such action shall be entitled to all of its reasonable costs, damages and expenses, including reasonable attorneys' fees, expended or incurred in connection therewith. In addition to any remedy at law, either party shall have the right to specifically enforce all of the terms and conditions of this Agreement.


11. TIME IS OF THE ESSENCE. It is expressly agreed that time is of the essence of this Agreement.

12. TERMINATION. This Agreement and the terms and conditions thereof shall remain in full force and effect until fully performed by the parties and it is understood and agreed that the terms and conditions of this Agreement shall survive the date of closing and shall not be merged nor extinguished by any instrument of conveyance or assignment.

13. BINDING AGREEMENT. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties and their respective successors, assigns, legal representatives and heirs.


February 8, 2002.
Effective the day and date first above written.


CBMR REAL ESTATE, LLC, a Colorado limited liability company

By: 
Ralph O. Walton III
General Manager

ATTEST:

TOWN OF MT. CRESTED BUTTE, a Colorado home rule municipality

By: 
Donna Arwood
Town Clerk

By: 
Gwen Pettit
Mayor



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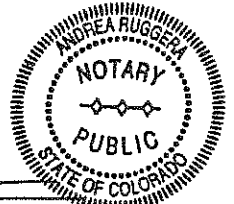
STATE OF COLORADO)
) ss.
County of Gunnison)

The above and foregoing Irrevocable License Agreement was acknowledged before me this 8th day of February, 2002 by Gwen Pettit as the Mayor of Mt. Crested Butte, Colorado.

Witness my hand and official seal.

My commission expires: Feb 22, 2003

Notary Public



MY COMMISSION EXPIRES:
February 22, 2003

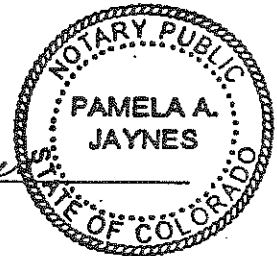
STATE OF COLORADO)
) ss.
County of Gunnison)

The above and foregoing Irrevocable License Agreement was acknowledged before me this 8th day of FEBRUARY, 2002 by Ralph O. Walton III as General Manager of CBMR Real Estate, LLC.

Witness my hand and official seal.

My commission expires: 23 April 2005

Notary Public



My Commission Expires
23 April 2005