

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF FLORIDA  
CASE NO. 20-CV-81205-RAR**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

COMPLETE BUSINESS SOLUTIONS  
GROUP, INC. d/b/a PAR FUNDING, et al.,

Defendants.

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**RECEIVER’S RESPONSE TO LEAD FUNDING II, LLC’S AMENDED MOTION  
TO INTERVENE AND LIFT LITIGATION INJUNCTION TO ALLOW IT TO  
PROCEED WITH FORECLOSURE ACTION IN COLORADO STATE COURT**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver (the “Receiver”) of the Receivership Entities,<sup>1</sup> by and through his undersigned counsel, hereby files this response to Non-

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<sup>1</sup> The “Receivership Entities” are Complete Business Solutions Group, Inc. d/b/a Par Funding (“Par Funding”); Full Spectrum Processing, Inc. (“Full Spectrum”); ABetterFinancialPlan.com LLC d/b/a A Better Financial Plan; ABFP Management Company, LLC f/k/a Pillar Life Settlement Management Company, LLC; ABFP Income Fund, LLC; ABFP Income Fund 2, L.P.; United Fidelis Group Corp.; Fidelis Financial Planning LLC; Retirement Evolution Group, LLC; RE Income Fund LLC; RE Income Fund 2 LLC; ABFP Income Fund 3, LLC; ABFP Income Fund 4, LLC; ABFP Income Fund 6, LLC; ABFP Income Fund Parallel LLC; ABFP Income Fund 2 Parallel; ABFP Income Fund 3 Parallel; ABFP Income Fund 4 Parallel; ABFP Income Fund 6 Parallel; ABFP Multi-Strategy Investment Fund LP; ABFP Multi-Strategy Investment Fund 2 LP; MK Corporate Debt Investment Company LLC; Capital Source 2000, Inc.; Fast Advance Funding LLC; Beta Abigail, LLC; New Field Ventures, LLC; Heritage Business Consulting, Inc.; Eagle Six Consultants, Inc.; 20 N. 3rd St. Ltd.; 118 Olive PA LLC; 135-137 N. 3rd St. LLC; 205 B Arch St Management LLC; 242 S. 21st St. LLC; 300 Market St. LLC; 627-629 E. Girard LLC; 715 Sansom St. LLC; 803 S. 4th St. LLC; 861 N. 3rd St. LLC; 915-917 S. 11th LLC; 1250 N. 25th St. LLC; 1427 Melon St. LLC; 1530 Christian St. LLC; 1635 East Passyunk LLC; 1932 Spruce St. LLC; 4633 Walnut St. LLC; 1223 N. 25th St. LLC; Liberty Eighth Avenue LLC; The LME 2017 Family Trust; Blue Valley Holdings, LLC; LWP North LLC; 500 Fairmount Avenue, LLC; Recruiting and Marketing Resources, Inc.; Contract Financing Solutions, Inc.; Stone Harbor Processing LLC; and LM Property Management LLC; and the Receivership also includes the properties located at 568 Ferndale Lane, Haverford PA 19041; 105 Rebecca Court, Paupack, PA 18451; 107 Quayside Dr., Jupiter FL 33477; 2413 Roma Drive, Philadelphia, PA 19145.

Party Lead Funding II, LLC's ("Lead Funding") Amended Motion to Intervene and Lift Litigation Injunction to Allow it to Proceed with Foreclosure Action in Colorado State Court [ECF No. 616] (the "Amended Motion").

### **INTRODUCTION**

Lead Funding's Amended Motion seeks permission to intervene in this Securities and Exchange Commission ("SEC") enforcement action for the purpose of lifting this Court's litigation injunction so that it may proceed with a foreclosure action against one of Par Funding's merchants, captioned as *Lead Funding II, LLC v. Colorado Farms LLC, et al.*, Case No. 2020 CV 30028, in the District Court of Elbert County, Colorado (the "Foreclosure Action"). This relief would prevent the Receiver from fulfilling his Court appointed duty of "marshaling and preserving all assets of the Defendants . . . that . . . are attributable to funds derived from investors or clients of the Defendants" and/or "may otherwise be includable as assets of the estates of the Defendants."<sup>2</sup> As an initial matter, Lead Funding has not established that its intervention in this matter would be proper. Additionally, the Receiver's review of the facts surrounding the Foreclosure Action identifies substantial issues regarding assets belonging to Par Funding, as well as property and interests of other Receivership Entities that should be included as part of the Receivership Estate.

The Receiver is currently engaged in discussions with the merchant that owns the property that is the subject of the Foreclosure Action. The Receiver is hopeful that these discussions will result in an agreement that allows the Receiver to receive a substantial payment, while simultaneously obviating the need for Lead Funding to proceed with the Foreclosure Action. Accordingly, the Receiver requires additional time to assess and negotiate this potential settlement and, therefore, requests the Court to deny Lead Funding's Amended Motion.

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<sup>2</sup> Amended Order Appointing Receiver (the "Amended Order") [ECF No. 141] at p. 1.

## BACKGROUND

On July 24, 2020, the SEC filed a Complaint for Injunctive and Other Relief in the United States District Court for the Southern District of Florida, alleging that Defendants committed multiple violations of federal securities laws. On July 27, 2020, the District Court appointed Mr. Ryan K. Stumphauzer as Receiver over the Receivership Entities, their subsidiaries, successors, and assigns. The Court issued the Amended Order on August 13, 2020.

As set forth in the Amended Order, the District Court issued a national stay of litigation (the “Litigation Injunction”) relating to:

All civil legal proceedings of any nature, including, but not limited to, bankruptcy proceedings, arbitration proceedings, *foreclosure actions*, *default proceedings*, or other actions of any nature involving: (a) the Receiver, in his capacity as Receiver; (b) any Receivership Property, wherever located; (c) any of the Receivership Entities, including subsidiaries and partnerships; or, (d) any of the Receivership Entities’ past or present officers, directors, managers, agents, or general or limited partners sued for, or in connection with, any action taken by them while acting in such capacity of any nature, whether as plaintiff, defendant, third-party plaintiff, third-party defendant, or otherwise (such proceedings are hereinafter referred to as “Ancillary Proceedings”).

Amended Order [ECF No. 141] ¶ 32 (emphasis added). The Litigation Injunction remains in effect. The Receiver is utilizing the window provided by the Litigation Injunction to evaluate the claims and interests of the Receivership Entities, review claims asserted against Receivership Entities, and to assess the actions necessary for him to fulfill his obligation to “marshal and preserve” the assets of the Receivership Estate. As the Court is aware, the Receiver is working diligently to resolve many matters with merchants of the Receivership Entities and has filed motions asking the Court to lift the Litigation Injunction for the purpose of allowing the Receiver to dismiss pending litigation, release security agreements, and otherwise carry out the terms of these various resolutions and settlements. [See ECF Nos. 111, 145, 198, 232, 264, 318, 319, 320, 321, 327, 370, 371, 421, 485, 511, 546, 575, 621.]

On November 12, 2020, Lead Funding filed its first Motion to Intervene and Lift Litigation Injunction to Allow it to Proceed with Foreclosure Action in Colorado State Court [ECF No. 386] (the “Initial Motion”). Specifically, Lead Funding filed the Foreclosure Action through which it seeks to foreclose on certain real property located in Elbert County, Colorado (“the Elbert County Property”) that is owned by Colorado Farms LLC (“Colorado Farms”). Colorado Farms is one of several related entities, including Colorado Homes, LLC, United by ECH LLC, and Colorado World Resorts, LLC (the “Colorado Homes Entities”), that are owned by Ranko Mocvevic for the purpose of developing various real estate projects throughout Colorado (the “Projects”).

The Colorado Homes Entities are one of the “Top 10 Merchants” that the Receiver has discussed with the Court during status conferences and in his various status reports. Collectively, the Colorado Homes Entities have an outstanding balance of more than \$25,000,000 that they owe to Par Funding. Various of the Colorado Homes Entities also entered into funding agreements with other Receivership Entities, including Eagle Six Consultants, Inc. and Fast Advance Funding LLC. In addition, Lisa McElhone, through two entities she owns—Liberty 7<sup>th</sup> Avenue, LLC and Pink Lion, LLC—entered into Tenants in Common Agreements (“TIC Agreements”) with the Colorado Homes Entities. Through the TIC Agreements, Lisa McElhone obtained anywhere from a 30 percent to 50 percent undivided interest in each of the Projects.

With respect to the Elbert County Property that is the subject of the Amended Motion, Pink Lion was granted a 30 percent undivided percentage interest. *See* Elbert County Tenant in Common Agreement (the “Elbert County TIC Agreement”), a copy of which is attached as Exhibit 1. The Receiver has determined that Pink Lion LLC is an alter ego of Par Funding and/or an

affiliate funded with comingled investor proceeds.<sup>3</sup> In accordance with the terms of this agreement, Pink Lion, LLC acquired its 30 percent interest in the Elbert County Property in exchange for its agreement to “cause to be advanced” additional funds as required to pay for the development, construction, maintenance, and operation” of the Elbert County Property. [Exh.1, ¶ 4.] These additional funds were advanced by Par Funding. Colorado Farms also granted Par Funding liens on the Elbert County Property through two different recorded Deeds of Trust (the “Deeds of Trust”). The Elbert County TIC Agreement and the Deeds of Trust both post-date the liens of Lead Funding on the Elbert County Property and, therefore, Par Funding and the other Receivership Entities and alter egos/affiliates are junior lienholders to Lead Funding.

On November 27, 2020, the Receiver and the SEC each filed Responses to the Initial Motion [ECF Nos. 408, 409], explaining why intervention was improper and Lead Funding’s request to lift the Litigation Injunction was not warranted. After further discussion with the Receiver, Lead Funding filed a Notice of Withdrawal of the Initial Motion [ECF No. 417]. Through the Amended Motion, Lead Funding is now renewing its request to intervene and lift the Litigation Injunction. Lead Funding argues in the Amended Motion that the Receiver has had six (6) additional months since Lead Funding filed the Initial Motion to investigate Par Funding’s and the other Receivership Entities’ interests in the Elbert County Property and, therefore, Lead Funding should now be permitted to proceed with its Foreclosure Action. For the reasons set forth below, the Receiver disagrees and requests the Court to deny the Amended Motion.

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<sup>3</sup> The Elbert County TIC Agreement identifies Par Funding insider Lisa McElhone as an attention party for Pink Lion, LLC at the same Philadelphia street address used by Par Funding.

**MEMORANDUM OF LAW**

**A. Lead Funding has not established that its intervention would be proper.**

The purpose of appointing a receiver in an SEC enforcement action is to effect an “orderly and efficient administration of the estate.” *FTC v. 3R Bancorp*, 2005 WL 497784, at \*3 (N.D. Ill. Feb. 23, 2005) (citing *SEC v. Hardy*, 803 F.2d 1034, 1038 (9th Cir. 1986)). Lead Funding’s intervention and requested substantive relief would unnecessarily interfere with that process. Additionally, as the SEC detailed in its Response to the Initial Motion: (1) Section 21(g) of the Securities Exchange Act of 1934 does not permit intervention under these circumstances, unless the SEC has consented to the proposed intervention, which it has not; and (2) Lead Funding has not otherwise established its right to intervene as of right under Rule 24(a) of the Federal Rules of Civil Procedure. *See* SEC’s Response to the Initial Motion, ECF No. 409, at 2-11. The Receiver adopts these arguments as if fully set forth herein.

**B. Lead Funding’s request to lift the Litigation Injunction is not warranted.**

Lead Funding’s Amended Motion seeks to lift the Litigation Injunction so that it may continue to pursue the Foreclosure Action filed in Elbert County, Colorado. As Lead Funding states in the Amended Motion, Par Funding holds a subordinate lien position on the Elbert County Property that is the subject of the Foreclosure Action. Based upon the asserted valuation of the Elbert County Property, Lead Funding suggests that foreclosure would likely extinguish Par Funding’s junior interest without a payoff. In addition, the interest Lisa McElhone (through Pink Lion, LLC) acquired in the Elbert County Property in exchange for Par Funding’s continued funding to Colorado Farms would also be extinguished through this foreclosure. In other words, should the Foreclosure Action be permitted to proceed, the entire security interest that Par Funding

obtained on the Elbert County Property would be extinguished, with no payment whatsoever against the more than \$25 million that the Colorado Homes Entities still owe to Par Funding.

Through his investigation, the Receiver has confirmed that Par Funding, through its alter egos and/or comingled investor affiliates, possesses interests in all seven (7) Projects that were being developed by the Colorado Homes Entities, including through deeds of trust/mortgages, equity, and/or the TIC Agreements. Some or all of these interests are property of the Receivership Estate. Upon information and belief, parties associated with these Projects intend to continue with development of and are working to secure additional financing for these Projects. If that does, in fact, occur, the Receiver, through Par Funding, as well as its alter egos and/or comingled investor affiliates involved with the Projects, may be able to receive payment for release of their liens and other rights in the Projects.

To that end, the Receiver is currently engaged in discussions with counsel for the Colorado Homes Entities to try to negotiate a settlement that would result in a substantial payment to the Receivership Estate, while simultaneously allowing Colorado Farms to avoid losing the Elbert County Property through the Foreclosure Action. As a result, the Receiver requires the time afforded by the Litigation Injunction to determine whether there is an opportunity to reach a resolution with the Colorado Homes Entities, which may result in the payment of valuable consideration to the Receivership Estate, rather than simply extinguishing these interests of the Receivership Entities through a foreclosure in the Foreclosure Action.

Accordingly, assuming *arguendo* the Court were to permit Lead Funding's proposed intervention, good cause exists to deny Lead Funding's request for the Court to lift the Litigation Injunction. "The Court should lift the stay if there is good reason to do so, but part of the purpose of the stay against litigation is to preserve the assets for the benefit of creditors and investors while

the Receiver investigates claims; requiring the Receiver to monitor and engage in litigation early on in the receivership would deplete the assets of [the Receivership Entities].” *SEC v. Onix Capital, LLC*, Case No. 16-cv-24678, 2017 WL 6728814 (S.D. Fla. July 24, 2017) (adopted by District Court Judge Cooke, 2017 WL 6728773 and denying motion to lift stay and file bankruptcy petitions). “[T]he purpose of imposing a stay of litigation is clear. A receiver must be given a chance to do the important job of marshaling and untangling a company's assets without being forced into court by every investor or claimant.” *U.S. v. Acorn Tech. Fund, L.P.*, 429 F.3d 428, 443 (3d Cir. 2005).

Here, that concern is significant. Par Funding has merchant cash advance agreements with more than 1,300 merchants and obtained security interests in collateral belonging to many of those merchants. If this Court were to permit every person or entity holding a senior lien interest on that collateral (like Lead Funding here) to proceed with litigation, the Receiver would be required to expend significant resources to evaluate those actions and, where appropriate, litigate to protect its security interests in the collateral. This would potentially result in a massive drain of the assets of the Receivership Estate.

In considering this request from Lead Funding to allow it to proceed with the Foreclosure Action, this Court must evaluate both the value of the claims themselves and the costs of defending any suit as a drain on receivership assets. *See SEC v. Universal Fin.*, 760 F.2d 1034, 1038 (9th Cir. 1985). When determining whether to lift a litigation stay in these sorts of receivership matters, courts are to consider the following factors: (1) whether refusing to lift the stay genuinely preserves the status quo or whether the moving party will suffer substantial injury if not permitted to proceed; (2) the time in the course of the receivership at which the motion for relief from the stay is made; and (3) the merit of the moving party’s underlying claim. *S.E.C. v. Wencke*, 742 F.2d 1230, 1231



(9th Cir. 1984). In addition to the elements above, “[a] district court should give appropriately substantial weight to the receiver’s need to proceed unhindered by litigation, and the very real danger of litigation expenses diminishing the receivership estate.” *Acorn Tech. Fund*, 429 F.3d at 443. Here, the circumstances weight in favor of denying Lead Funding’s Amended Motion.

**Preserving the Status Quo.** First, the Litigation Injunction preserves the status quo in this instance. It allows the Receiver the opportunity to develop and pursue potential claims involving the Receivership Estate, and to determine whether a settlement may be possible that would result in the payment of substantial funds from the Colorado Homes Entities to the Receivership Estate. On the other hand, Lead Funding has not identified any immediate risk to the Elbert County Property. Rather, it merely makes generic and conclusory statements that Colorado Farms is not paying its debt to Lead Funding and, therefore Lead Funding’s interest in the Elbert County Property is “at risk,” given that the borrower is “without any incentive to protect and preserve the Property for the benefit of Lead Funding.” [Amended Motion, ¶ 34.] To the contrary, the Litigation Injunction is necessarily intended to protect and preserve the Elbert County Property so that the property is not at risk of being lost through a foreclosure or other proceedings, prior to the Receiver having had a full and complete opportunity to try to resolve these matters.

Additionally, the records and information available to the Receiver indicate that the assessed value of the Elbert County Property continues to increase. Furthermore, as Lead Funding seeks through the Foreclosure Action to foreclose on a more than \$2 million debt against property that Lead Funding suggests is worth no more than \$400,000, there is no serious concern of injury through loss of an equity cushion. *See, e.g., In re Southside Church of Christ of Jacksonville, Inc.*, 572 B.R. 384, 390 (Bankr. M.D. Fla. 2017) (discussing equity cushion in context of denying request for relief from automatic stay in bankruptcy case).

**The Timing of the Request to Lift the Litigation Injunction.** Second, although Lead Funding points out that six (6) months have passed since it filed the Initial Motion, these proceedings are still relatively early in the receivership process. The Litigation Injunction has been in place for less than a year. During this time, the Receiver has worked diligently to review and address thousands of issues with merchants, as well as others who have interests in the collateral of these merchants. At the same time, the Receiver continues to untangle the web of operations previously conducted by the Receivership Entities, with the constant goal of marshaling and preserving Receivership Assets through tracing and recovery of investor funds, including through collection efforts against merchants and preserving any security interests and collateral these merchants provided to Par Funding and the other Receivership Entities.

In evaluating the timing of a request to lift the Litigation Injunction, there is no “clear cut-off date after which a stay should be presumptively lifted,” and the inquiry is “inherently case-specific.” *Acorn Tech. Fund*, 429 F.3d at 450. For example, in *Acorn Tech. Fund*, a litigant asked to lift the stay when the receivership had been in place for only 10 months, and the Court rejected that request. *Id.* The litigant renewed its request at a time when the stay had “been in effect for 30-36 months,” and the Court once again denied the request, explaining that even though the . . . proposed claims may have merit, the other factors do not weigh in favor of allowing them to assert these claims at the present time.” *Id.* Other courts have similarly rejected requests to lift a stay of claims involving parties in a receivership several years after the initial entry of the stay. *Universal Fin.*, 760 F.2d at 1039 (denying motion to lift stay that was in place for nearly four years, given that “material facts continue to come to light through discovery and testimony”); *S.E.C. v. Wencke*, 622 F.2d 1363, 1374 (9th Cir. 1980) (denying motion to lift stay two years after entry of litigation injunction); *Schwartzman v. Rogue Intern. Talent Group, Inc.*, CIV.A. 12-5255, 2013 WL 460218,

at \*3 (E.D. Pa. Feb. 7, 2013) (denying motion to lift stay more than two years after establishment of receivership, given that “receivership is at an early stage and the Receiver is still collecting relevant information”).

By contrast, district courts should lift the litigation stay at a point in time when “no new material facts” are being discovered, and the receiver is ready to distribute assets. *S.E.C. v. Wencke*, 742 F.2d 1230, 1232 (9th Cir. 1984) (reversing denial of motion to lift stay where “receivership has been in existence for over seven years and no new material facts have been discovered for at least six years”). As this Court recently advised investors during the status conference on May 20, 2021, the Court does not intend to authorize the Receiver to distribute assets from the Receivership Estate until sometime after the SEC’s claims against the Defendants are resolved. The trial in this action is set for the trial period beginning on December 6, 2021. [ECF No. 521, Amended Order Setting Jury Trial Schedule]. Thus, these proceedings have simply not yet progressed to the stage where the Litigation Injunction should be lifted to allow third parties, like Lead Funding, to pursue claims against the Receiver or Receivership Property. Therefore, the Court should deny the Amended Motion.

**Merits of Lead Funding’s Underlying Claims.** Finally, while Lead Funding may possess a valid claim in the Foreclosure Action, its proposed relief would fail to allow the Receiver the opportunity to recoup on the interests of Par Funding and the other Receivership Entities. As explained above, the Receiver is engaged in active discussions with the Colorado Homes Entities about potential settlement opportunities that may result in significant payments to the Receivership Estate and also allow continued development of these Projects and a potential payoff of the amount owed to Lead Funding. Lifting the Litigation Injunction at this early stage, on the other hand, would prevent the Receiver from exploring this opportunity as it pertains to the Elbert County

Property and, as detailed in Lead Funding's Amended Motion, would likely result in the extinguishment of Par Funding's interest in this property, in its entirety and without any payment to the Receivership Estate.

**CONCLUSION**

For the reasons set forth herein, the Receiver respectfully requests that the Court deny Non-Party Lead Funding II, LLC Amended Motion to Intervene and Lift Litigation Injunction to Allow it to Proceed with Foreclosure Action in Colorado State Court, and grant such other relief as the Court deems just and proper.

Dated: June 23, 2021

Respectfully Submitted,

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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on June 23, 2021, I electronically filed the foregoing document with the clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on counsel of record via transmission of Notices of Electronic Filing generated by CM/ECF.

/s/ Timothy A. Kolaya  
TIMOTHY A. KOLAYA

# Exhibit “1”

## ELBERT COUNTY TENANTS IN COMMON AGREEMENT

This ELBERT COUNTY TENANTS IN COMMON AGREEMENT ("*Agreement*") is made effective as of May 7, 2020 (the "*Effective Date*"), by and among COLORADO FARMS LLC, a Colorado limited liability company ("*Colorado Farms*"), and Pink Lion LLC, a Pennsylvania Limited Liability Company ("*PL-TIC*"; Colorado Farms and PL-TIC are hereinafter referred to singularly as a "*Tenant*" and collectively as the "*Tenants in Common*").

### RECITALS

WHEREAS, the Tenants in Common jointly own the real property and improvements thereon located in Elbert County, Colorado, more particularly described in Exhibit 1 attached hereto and incorporated herein (the "*Property*"); and

WHEREAS, the Tenants in Common are entering into this Agreement to memorialize their agreement with respect to the joint ownership of the Property;

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions herein contained, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

**1. Definitions.** The following terms shall have the meanings and definitions as set forth below:

- (a) "*Affiliate*" shall mean, with respect to any person, any other person that directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the referenced person.
- (b) "*Computed value*" shall mean the value of the TIC-Interests in the Property as assessed by a comparative market analysis performed by a licensed realtor selected and agreed to by the Tenants in Common. Such computation shall be binding and conclusive upon the parties. The computation shall be made in accordance with generally accepted practices consistently applied in the area.
- (c) "*Project*" shall mean the development and construction of a collective of private homes at the Property.
- (d) "*TIC-Interest*" shall mean a Tenant's undivided tenant in common interest in the Property, expressed as a percentage.

**2. TIC-Interests.** The Tenants in Common have the following undivided percentage interests in the Property (*i.e.*, TIC-Interests):

- (a) Colorado Farms, LLC - 70%
- (b) PL-TIC - 30%

**3. Management.** PL-TIC shall have sole authority to make decisions on all matters on behalf of the Company relating to the Project.

(a) PL-TIC's authority includes:

- (1) supervise the development and construction of the Project, including to make any decision concerning the development and construction of the Project;
- (2) engage or replace the construction manager for the Project (*see* §3(b) below);
- (3) secure, approve and hire contractors and subcontractors for the Project;
- (4) make any decisions concerning job scheduling for the Project;
- (5) enter into any loans with respect to the Project and Property and encumbering the Property to secure such loans;
- (6) incur any obligations with respect to the Project and Property;
- (7) enter into any agreements with respect to the Project and Property;
- (8) make any expenditures with respect to the Project and Property;
- (9) make any payments to any vendors, service providers or subcontractors;
- (10) manage the day-to-day operations of the Property after completion of the Project;
- (11) engage or replace the property manager for the Property to provide day-to-day management functions for the Property; and
- (12) any distribution of funds will be at the sole discretion of Pink Lion LLC

(b) The initial construction manager will be UAB INC., a Pennsylvania corporation.

**4. Funding for the Property by Tenants in Common.** Each of the Tenants in Common shall from time to time advance or cause to be advanced, in proportion to their relative TIC-Interests, funds to a common account as such funds shall from time to time be required to pay for the development, construction, maintenance and operation of the Property, including interest and principal on mortgage liens, and for the costs of any improvement. Should any Tenant for any reason fail or refuse to advance or cause to be advanced its proportional share of required funds, then and in that event, the other Tenants in Common shall have the right to acquire the interest of the delinquent Tenant at the Computed Value.

**5. Profit and Losses.** The profits and losses from the operation of the Property shall be shared by the Tenants in Common in proportion to their relative TIC-Interests.

**6. Transfer Restrictions.** Neither of the Tenants in Common will dispose, transfer, devise, convey, lease, mortgage, or otherwise encumber its TIC-Interest, without the written consent of the other Tenants in Common, whose consent shall not be unreasonably withheld.

(a) *Transfers to Related Individuals.* Each Tenant shall have the right to transfer to any or all of such Tenant's TIC-Interest to an Affiliate (as defined below) without obtaining the consent of the other Tenants in Common. Upon a transfer of a TIC-Interest to an Affiliate, the transferor Tenant shall deliver to the other Tenants in Common within 7 days of the making of the transfer, a copy of each and every instrument providing for the transfer.

(b) *Joinder to this Agreement.* Each transferee shall be bound by all of the provisions of this Agreement as if such transferee had owned the transferred TIC-Interest on the Effective



Date and had in fact signed this Agreement on the Effective Date. A transferee shall promptly execute a written assumption agreeing to perform faithfully and to be bound by all of the terms, covenants, conditions, provisions and agreements of this Agreement with respect to the TIC-Interest acquired by such transferee and upon such assumption the transferee shall become a party to this Agreement.

**7. No Partition.** Each of the Tenants in Common irrevocably waives any and all right that it may have to maintain any action for partition with respect to its TIC-Interest or to compel any sale of the Property under any applicable laws now existing or subsequently enacted.

**8. Termination.** This Agreement shall terminate on the sale of the Property and the distribution to the Tenants in Common of the net proceeds of the sale, or at such other times as the parties may agree in writing.

**9. Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns. If a Tenant in Common transfers, in accordance with this Agreement and the Loan Documents, all or part of its TIC-Interest, then its transferee shall be bound by all of the terms and conditions of this Agreement.

**10. Governing Law.** This Agreement shall be governed by, construed, enforced and interpreted in accordance with the internal laws of the State of Colorado, without regard to the conflicts of law provisions and principles thereof.

**11. Severability.** In the event any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability shall not affect any other provision. This Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been contained in it. If any provision or part thereof of this Agreement is stricken in accordance with this Section, then such stricken provision shall be replaced, to the extent possible, with a legal, enforceable and valid provision that is as similar in tenor to the stricken provision as is legally possible.

**12. Amendments.** This Agreement may be amended by the parties only by a written agreement.

**13. Attorneys' Fees.** If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled.

**14. Terminology and Interpretation.** The terms "include" and "including" do not limit the preceding words or terms. The term "any" includes 'any', 'if any', 'all', 'any or all' or 'any and all', as the context requires. Each gender shall include each other gender. When required by the context, the singular shall include the plural and vice-versa. The word "or" is not exclusive. All headings are for convenience and ease of reference only and are irrelevant to the construction or interpretation of any provision of this Agreement.

**15. Further Assurances.** Each Tenant in Common agrees to execute, with acknowledgment and affidavit if required, any and all documents and to take any and all actions that may be reasonably required in furtherance of the provisions of this Agreement.

**16. Counterparts; Facsimiles.** This Agreement may be executed in counterparts, each of which shall be deemed an original (including copies sent to a party by facsimile transmission or e-mail) as against the party signing such counterpart, but which together shall constitute one and the same instrument. An electronic signature or a copy of a party's signature to this Agreement, including a photocopied signature or a signature transmitted by facsimile or email, shall be valid and binding as an original signature and there shall be no need for a party to deliver an original handwritten signature.

**17. Memorandum of Agreement.** Each Tenant in Common hereby agrees to execute a memorandum of this Agreement (without the requirement of any Tenant in Common's signature), to be filed in the real property records where the Property is located for the purpose of providing constructive notice of certain terms and provisions of this Agreement. Upon termination of this Agreement, each Tenant in Common shall execute a termination of such memorandum in recordable form.

**18. Entire Agreement.** This Agreement and any agreement, document or instrument referred to herein constitute the entire agreement between the Tenants in Common pertaining to the subject matter contained in such agreement and supersedes all prior and contemporaneous agreements, representations and understandings of the Tenants in Common.



[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, each Tenant in Common has set its signature effective as of the Effective Date set forth above.

TENANTS IN COMMON:


**COLORADO FARMS LLC,**  
a Colorado limited liability company

By:   
Ranko Mocevic, Manager

Address: 6460 S. Quebec Street, Building 5  
Centennial, Colorado 80111  
Attn: Ranko Mocevic  
303-  


**PL-TIC,**  
a Pennsylvania Limited Liability Company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address: 20 N. 3<sup>rd</sup> Street  
Philadelphia, Pennsylvania 19106  
Attn: Lisa McElhone  
(215) 922-2636  
@gmail.com

**EXHIBIT 1**  
**Property Description**

(PARCEL A)

A PARCEL OF LAND LOCATED IN SECTION 28, TOWNSHIP 6 SOUTH, RANGE 64 WEST, OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 28; THENCE N00°12'57"E ALONG THE WEST LINE OF SAID SECTION 28, A DISTANCE OF 1760.05 FEET, TO THE POINT OF BEGINNING;  
THENCE S83°17'26"E, A DISTANCE OF 1208.50 FEET;  
THENCE N00°12'57"E, A DISTANCE OF 582.77 FEET;  
THENCE N82°05'33"W, A DISTANCE OF 314.55 FEET;  
THENCE N00°12'57"E, A DISTANCE OF 95.72 FEET;  
THENCE N89°47'03"W, A DISTANCE OF 136.30 FEET;  
THENCE N03°36'32"E, A DISTANCE OF 1138.49 FEET;  
THENCE N69°08'01"W, A DISTANCE OF 81.02 FEET;  
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 12° 18' 54", A RADIUS OF 1500.00 FEET AN ARC LENGTH OF 322.41 FEET AND WHOSE CHORD BEARS N62°58'34"W, A DISTANCE OF 321.79 FEET; THENCE N56°49'14"W, A DISTANCE OF 382.95 FEET;  
THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 33°21'24", A RADIUS OF 192.00 FEET AN ARC LENGTH OF 111.79 FEET AND WHOSE CHORD BEARS N73°30'32"W, A DISTANCE OF 110.21 FEET; THENCE S89°40'45"W, A DISTANCE OF 30.00 FEET, TO THE POINT THAT IS ON THE WEST LINE OF SAID SECTION 28; THENCE S00°12'57"W ALONG SAID WEST LINE OF SECTION 28, A DISTANCE OF 2133.15 FEET TO THE POINT OF BEGINNING, COUNTY OF ELBERT, STATE OF COLORADO.

(PARCEL B)

THE FOLLOWING DESCRIBED PROPERTY TO WIT: A PORTION OF SECTION 28, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH PM, COUNTY OF ELBERT, STATE OF COLORADO, SHOWN AND DESCRIBED AS PARCEL B1 OF THE HUNT ADMINISTRATIVE LOT LINE ADJUSTMENT EXHIBIT RECORDED ON SEPTEMBER 20, 2007 AT RECEPTION NO. 489871, TOGETHER WITH AND SUBJECT TO A 60.00 FOOT WIDE NON-EXCLUSIVE INGRESS-EGRESS EASEMENT, SAID EASEMENT BEING 30.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE; BEGINNING AT THE NORTHEAST CORNER OF PARCEL A AS DESCRIBED IN DEED RECORDED JUNE 22, 1999 IN BOOK 566 AT PAGE 524, ELBERT COUNTY RECORDS; THENCE N88°11'54"W ALONG SAID CENTERLINE A DISTANCE 623.56 FEET TO A POINT OF CURVE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT AND ALONG SAID CENTERLINE A DISTANCE OF 211.28 FEET TO A POINT OF TANGENT, SAID CURVE HAS A RADIUS OF 2000.00 FEET AND CENTRAL ANGLE OF 06°03'10"; THENCE S85°44'56"W ALONG SAID CENTERLINE A DISTANCE OF 576.94 FEET TO A POINT OF CURVE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT AND ALONG SAID CENTERLINE A DISTANCE OF 393.29 FEET TO A POINT OF TANGENT, SAID CURVE HAS A RADIUS OF 900.00 FEET AND A CENTRAL ANGLE OF 25°02'15"; THENCE N69°12'44"W ALONG SAID CENTERLINE A DISTANCE OF 744.14 FEET TO A POINT OF CURVE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT AND ALONG SAID CENTERLINE A DISTANCE OF 322.26 FEET TO A POINT OF TANGENT, SAID CURVE HAS A RADIUS OF 1500.00 FEET AND A CENTRAL ANGLE OF 12°19'34"; THENCE N56°54'15"W ALONG SAID CENTERLINE A DISTANCE OF 343.10 FEET TO A POINT OF CURVE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT AND ALONG SAID CENTERLINE A DISTANCE OF 111.77 FEET; SAID CURVE HAS A RADIUS OF 192.00 FEET AND CENTRAL ANGLE OF 33°21'13" TO A POINT ON THE EAST RIGHT OF WAY LINE OF COUNTY ROAD AND TO THE POINT OF TERMINUS, AND SUBJECT TO A 30.00 FOOT EASEMENT SITUATED IN SECTION 28, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH P.M., ELBERT COUNTY, COLORADO, THE CENTERLINE OF WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF SECTION 28 AND CONSIDERING THE WEST LINE OF SAID SECTION 28 TO BEAR N 00°08'09"E WITH ALL BEARING CONTAINED HEREIN RELATIVE THERETO, THENCE N 00°08'09"E ALONG SAID WEST LINE A DISTANCE OF 1759.79 FEET; THENCE S 83°22'14"E A DISTANCE OF 1187.97 FEET; THENCE N 00°08'09"E A DISTANCE OF 1050.19 FEET TO THE TRUE POINT OF BEGINNING OF SUBJECT CENTERLINE; THENCE N 15°50'14"E A DISTANCE OF 62.25 FEET; THENCE N 34°14'06"E A DISTANCE OF 89.84 FEET; THENCE N 41°40'07"E A DISTANCE OF 71.02 FEET; THENCE N 59°11'30"E A DISTANCE OF 65.86 FEET; THENCE N 40°08'36"E A DISTANCE OF 42.73 FEET; THENCE N 02°17'50"E A DISTANCE OF 160.39 FEET; THENCE N 04°14'27"W A DISTANCE OF 132.58 FEET; THENCE N 05°44'38"W A DISTANCE OF 131.60 FEET TO THE CENTER OF A 60.00 FOOT WIDE INGRESS-EGRESS EASEMENT AND TO THE POINT OF TERMINUS, COUNTY OF ELBERT, STATE OF COLORADO.

(PARCEL C)

TRACT 1:

PARCEL C1, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A PARCEL OF LAND LOCATED IN SECTION 28 TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 28; THENCE NORTH 00 DEGREES 12 MINUTES 57 SECONDS EAST ALONG THE WEST LINE OF SAID SECTION 28, A DISTANCE OF 1760.05 FEET;  
THENCE SOUTH 63 DEGREES 17 MINUTES 26 SECONDS EAST, A DISTANCE OF 12.08 FEET TO THE POINT OF BEGINNING;  
THENCE NORTH 00 DEGREES 12 MINUTES 57 SECONDS EAST, A DISTANCE OF 582.77 FEET;  
THENCE SOUTH 82 DEGREES 05 MINUTES 33 SECONDS EAST, A DISTANCE OF 705.73 FEET;  
THENCE NORTH 12 DEGREES 49 MINUTES 05 SECONDS EAST, A DISTANCE OF 1336.04 FEET;  
THENCE SOUTH 88 DEGREES 07 MINUTES 06 SECONDS EAST, A DISTANCE OF 577.21 FEET;  
THENCE SOUTH 10 DEGREES 44 MINUTES 10 SECONDS WEST, A DISTANCE OF 1945.12 FEET,  
THENCE NORTH 83 DEGREES 17 MINUTES 26 SECONDS WEST, A DISTANCE OF 1220.41 FEET TO THE POINT OF BEGINNING, COUNTY OF ELBERT, STATE OF COLORADO.

(PARCEL D)

TRACT 2:

A 60.00 FOOT WIDE NON-EXCLUSIVE INGRESS-EGRESS EASEMENT, SAID EASEMENT BEING 30.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE BEGINNING AT THE NORTHEAST CORNER OF PARCEL "A" DESCRIBED IN DEED RECORDED JUNE 27, 1999 IN BOOK 566 AT PAGE 524 OF THE RECORDS OF ELBERT COUNTY, COLORADO, IN SECTION 28, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO.  
THENCE NORTH 69 DEGREES 11 MINUTES 54 SECONDS WEST ALONG SAID CENTERLINE, A DISTANCE OF 623.56 FEET TO A POINT OF CURVE;  
THENCE ALONG THE ARC OF A CURVE TO THE LEFT AND ALONG SAID CENTERLINE, A DISTANCE OF 211.28 FEET TO A POINT OF TANGENT, SAID CURVE HAS A RADIUS OF 2000.00 FEET AND CENTRAL ANGLE OF 06 DEGREES 03 MINUTES 10 SECONDS,  
THENCE SOUTH 85 DEGREES 14 MINUTES 56 SECONDS WEST ALONG SAID CENTERLINE A DISTANCE OF 526.97 FEET TO A POINT OF CURVE;  
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT AND ALONG SAID CENTERLINE A DISTANCE OF 393.29 FEET TO A POINT OF TANGENT, SAID CURVE HAS A RADIUS OF 900.00 FEET AND A CENTRAL ANGLE OF 25 DEGREES 02 MINUTES 15 SECONDS;  
THENCE NORTH 69 DEGREES 12 MINUTES 49 SECONDS WEST ALONG SAID CENTERLINE, A DISTANCE OF 244.14 FEET TO A POINT OF CURVE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT AND ALONG SAID CENTERLINE, A DISTANCE OF 323.26 FEET TO A POINT OF TANGENT, SAID CURVE HAS A RADIUS OF 1500.00 FEET AND A CENTRAL ANGLE OF 17 DEGREES 18 MINUTES 34 SECONDS; THENCE NORTH 56 DEGREES 54 MINUTES 15 SECONDS WEST ALONG SAID CENTERLINE, A DISTANCE OF 383.10 FEET TO A POINT OF CURVE;  
THENCE ALONG THE ARC OF A CURVE TO THE LEFT AND ALONG SAID CENTERLINE, A DISTANCE OF 111.77 FEET, SAID CURVE HAS RADIUS OF 192.00 FEET AND A CENTRAL ANGLE OF 33 DEGREES 21 MINUTES 13 SECONDS TO A POINT ON THE EAST RIGHT OF WAY LINE OF COUNTY ROAD AND TO THE POINT OF TERMINUS, COUNTY OF ELBERT, STATE OF COLORADO.

(PARCEL E)

TRACT 3:

A TRACT OF LAND IN THE WEST 1/2, EAST 1/2, NORTHEAST 1/4, SOUTHWEST 1/4 OF SECTION 28 TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:  
COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 28 AND CONSIDERING THE EAST LINE OF THE WEST 1/2, EAST 1/2 OF SAID SECTION 28 TO BEAR SOUTH 00 DEGREES 13 MINUTES 16 SECONDS EAST WITH ALL BEARINGS HEREIN CONTAINED RELATIVE THERETO;  
THENCE SOUTH 00 DEGREES 13 MINUTES 46 SECONDS EAST ALONG THE EAST LINE, A DISTANCE OF 1000.00 FEET TO THE POINT OF BEGINNING;  
THENCE SOUTH 89 DEGREES 46 MINUTES 14 SECONDS WEST, 1000.00 FEET;  
THENCE SOUTH 10 DEGREES 39 MINUTES 22 SECONDS WEST 2806.47 FEET;  
THENCE NORTH 89 DEGREES 46 MINUTES 14 SECONDS EAST, 1529.80 FEET TO THE EAST LINE OF THE WEST 1/2, EAST 1/2 OF SECTION 28;  
THENCE NORTH 00 DEGREES 13 MINUTES 46 SECONDS WEST 2754.99 FEET TO THE POINT OF BEGINNING  
COUNTY OF ELBERT, STATE OF COLORADO.

(PARCEL F)

TRACT 4:

A 60.00 FOOT WIDE NON-EXCLUSIVE INGRESS AND EGRESS EASEMENT DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 28, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, AND CONSIDERING THE EAST LINE OF THE WEST 1/2 OF THE EAST 1/2 OF SECTION 28 TO BEAR SOUTH 00 DEGREES 13 MINUTES 46 SECONDS EAST WITH ALL BEARINGS HEREIN CONTAINED RELATIVE THERETO;

THENCE SOUTH 00 DEGREES 13 MINUTES 46 SECONDS EAST ALONG THE EAST LINE OF THE WEST 1/2 OF THE EAST 1/2, 1000.00 FEET;

THENCE SOUTH 89 DEGREES 46 MINUTES 14 SECONDS WEST, 1000.00 FEET;

THENCE SOUTH 10 DEGREES 39 MINUTES 22 SECONDS WEST, 859.05 FEET TO A POINT ON THE CENTERLINE OF THE AFORESAID EASEMENT AND THE POINT OF BEGINNING;

THENCE NORTH 68 DEGREES 11 MINUTES 54 SECONDS WEST, ALONG SAID CENTERLINE 729.30 FEET TO A POINT OF CURVE;

THENCE ALONG THE ARC OF A CURVE TO THE LEFT AND ALONG SAID CENTERLINE 211.28 FEET TO A POINT OF TANGENT, SAID CURVE HAS A RADIUS OF 2000.00 FEET AND A CENTRAL ANGLE OF 06 DEGREES 03 MINUTES 10 SECONDS; THENCE SOUTH 85 DEGREES 44 MINUTES 56 SECONDS WEST ALONG SAID CENTERLINE 576.04 FEET TO A POINT OF CURVE;

THENCE ALONG THE ARC OF A CURVE TO THE RIGHT AND ALONG SAID CENTERLINE 393.29 FEET TO A POINT OF TANGENT,

SAID CURVE HAS A RADIUS OF 900.00 FEET AND A CENTRAL ANGLE OF 25 DEGREES 02 MINUTES 15 SECONDS;

THENCE NORTH 69 DEGREES 12 MINUTES 49 SECONDS WEST ALONG SAID CENTERLINE, 244.14 FEET TO A POINT OF CURVE;

THENCE ALONG THE ARC OF A CURVE TO THE RIGHT AND ALONG SAID CENTERLINE, 322.26 FEET TO A POINT OF TANGENT,

SAID CURVE HAS A RADIUS OF 1500.00 FEET AND A CENTRAL ANGLE OF 12 DEGREES 18 MINUTES 34 SECONDS;

THENCE NORTH 56 DEGREES 54 MINUTES 15 SECONDS WEST ALONG SAID CENTERLINE 383.10 FEET TO A POINT OF CURVE;

THENCE ALONG THE ARC OF A CURVE TO THE LEFT AND ALONG SAID CENTERLINE, 111.77 FEET, SAID CURVE HAS A RADIUS OF 192.00 FEET AND A CENTRAL ANGLE OF 33 DEGREES 21 MINUTES 13 SECONDS TO A POINT ON THE EAST RIGHT OF WAY LINE OF THE COUNTY ROAD, AND TO THE POINT OF TERMINUS, COUNTY OF ELBERT, STATE OF COLORADO.

(PARCEL G)

TRACT 7:

E1/2 E1/2 OF SECTION 28, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN  
COUNTY OF ELBERT, STATE OF COLORADO.

(PARCEL H)

A PARCEL OF LAND IN THE SOUTHWEST QUARTER AND IN THE WEST HALF SOUTHEAST QUARTER OF SECTION 28, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, ELBERT COUNTY COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 28 AND CONSIDERING THE SOUTH LINE TO BEAR NORTH 89 DEGREES 42 MINUTES 14 SECONDS EAST WITH ALL BEARINGS HEREIN CONTAINED RELATIVE THERETO, THENCE NORTH 89 DEGREES 42 MINUTES 14 SECONDS EAST ALONG SAID SOUTH LINE A DISTANCE OF 3952.55 FEET TO THE SOUTHEAST CORNER OF THE WEST HALF SOUTHEAST QUARTER; THENCE NORTH 0 DEGREES 13 MINUTES 46 SECONDS WEST ALONG THE EAST LINE OF THE WEST HALF SOUTHEAST QUARTER FOR 1465.06 FEET; THENCE SOUTH 89 DEGREES 46 MINUTES 14 SECONDS WEST A DISTANCE OF 1529.80 FEET; THENCE NORTH 83 DEGREES 22 MINUTES 14 SECONDS WEST A DISTANCE OF 2428.91 FEET TO THE WEST LINE OF THE SOUTHWEST QUARTER; THENCE SOUTH 0 DEGREES 08 MINUTES 09 SECONDS WEST ALONG SAID WEST LINE A DISTANCE OF 1759.78 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION DESCRIBED IN DEED RECORDED NOVEMBER 4, 2003 IN BOOK 652 AT PAGE 579.  
COUNTY OF ELBERT, STATE OF COLORADO.



(PARCEL 1)

A PARCEL OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 28, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 28 AND CONSIDERING THE SOUTH LINE TO BEAR NORTH 89 DEGREES 42 MINUTES 14 SECONDS EAST WITH ALL BEARINGS HEREIN CONTAINED RELATIVE THERETO; THENCE NORTH 89 DEGREES 42 MINUTES 14 SECONDS EAST ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 28, A DISTANCE OF 1688.05 FEET; THENCE NORTH 00 DEGREES 13 MINUTES 46 SECONDS WEST, A DISTANCE OF 1564.62 FEET; THENCE NORTH 03 DEGREES 22 MINUTES 14 SECONDS WEST, A DISTANCE OF 1618.39 FEET TO THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 28; THENCE SOUTH 00 DEGREES 08 MINUTES 09 SECONDS WEST, A DISTANCE OF 1759.78 FEET TO THE POINT OF BEGINNING,

EXCEPT THE WESTERLY 30.00 FEET THERE FOR COUNTY ROAD, COUNTY OF ELBERT, STATE OF COLORADO,

(PARCEL 2)

TRACT 5:

A TRACT OF LAND LOCATED IN SECTION 28, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTH 1/4 CORNER OF SAID SECTION 28;  
THENCE SOUTH 89 DEGREES 21 MINUTES 06 SECONDS EAST ALONG THE NORTH LINE OF SAID SECTION 28 A DISTANCE OF 1306.58 FEET TO THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 28;  
THENCE SOUTH 00 DEGREES 06 MINUTES 18 SECONDS EAST ALONG THE EAST LINE OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 28, A DISTANCE OF 1000 FEET;  
THENCE SOUTH 89 DEGREES 46 MINUTES 14 SECONDS WEST, A DISTANCE OF 1000 FEET; THENCE SOUTH 30 DEGREES 39 MINUTES 22 SECONDS WEST, A DISTANCE OF 859.35 FEET TO THE CENTERLINE OF A 60 FOOT WIDE INGRESS AND EGRESS EASEMENT;  
THENCE NORTH 88 DEGREES 11 MINUTES 54 SECONDS WEST ALONG SAID CENTERLINE, A DISTANCE OF 623.56 FEET;  
THENCE NORTH 00 DEGREES 42 MINUTES 40 SECONDS EAST A DISTANCE OF 1848.96 FEET TO A POINT ON THE NORTH LINE OF THE NORTHWEST 1/4;  
THENCE SOUTH 89 DEGREES 21 MINUTES 06 SECONDS EAST ALONG SAID NORTH LINE A DISTANCE OF 450.90 FEET TO THE POINT OF BEGINNING, COUNTY OF ELBERT, STATE OF COLORADO

TRACT 6:

A 60.00 FOOT WIDE NON-EXCLUSIVE INGRESS-EGRESS EASEMENT, SAID EASEMENT BEING 30.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE BEGINNING AT THE NORTHEAST CORNER OF PARCEL 1 AS DESCRIBED IN DEED RECORDED JUNE 22, 1999 IN BOOK 566 AT PAGE 524 OF THE RECORDS OF ELBERT COUNTY, COLORADO, IN SECTION 28, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ELBERT STATE OF COLORADO;  
THENCE NORTH 88 DEGREES 11 MINUTES 54 SECONDS WEST ALONG SAID CENTERLINE A DISTANCE OF 623.56 FEET TO A POINT OF CURVE;  
THENCE ALONG THE ARC OF A CURVE TO THE LEFT AND ALONG SAID CENTERLINE A DISTANCE OF 211.28 FEET TO A POINT OF TANGENT, SAID CURVE HAS A RADIUS OF 2000.00 FEET AND A CENTRAL ANGLE OF 6 DEGREES 03 MINUTES 10 SECONDS;  
THENCE SOUTH 85 DEGREES 44 MINUTES 56 SECONDS WEST ALONG SAID CENTERLINE A DISTANCE OF 576.94 FEET TO A POINT OF CURVE;  
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT AND ALONG SAID CENTERLINE A DISTANCE OF 353.29 FEET TO A POINT OF TANGENT, SAID CURVE HAS A RADIUS OF 900.00 FEET AND A CENTRAL ANGLE OF 25 DEGREES 02 MINUTES 15 SECONDS;  
THENCE NORTH 69 DEGREES 12 MINUTES 49 SECONDS WEST ALONG SAID CENTERLINE A DISTANCE OF 244.14 FEET TO A POINT OF CURVE;  
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT AND ALONG SAID CENTERLINE A DISTANCE OF 322.26 FEET TO A POINT OF TANGENT, SAID CURVE HAS A RADIUS OF 1500.00 FEET AND A CENTRAL ANGLE OF 12 DEGREES 18 MINUTES 34 SECONDS;  
THENCE NORTH 56 DEGREES 54 MINUTES 15 SECONDS WEST ALONG SAID CENTERLINE A DISTANCE OF 383.10 FEET TO A POINT OF CURVE;  
THENCE ALONG THE ARC OF A CURVE TO THE LEFT AND ALONG SAID CENTERLINE A DISTANCE OF 111.27 FEET, SAID CURVE HAS A RADIUS OF 192.00 FEET AND A CENTRAL ANGLE OF 33 DEGREES 21 MINUTES 13 SECONDS TO A POINT ON THE EAST RIGHT OF WAY LINE OF COUNTY ROAD AND TO THE POINT OF TERMINUS, COUNTY OF ELBERT, STATE OF COLORADO.

(PARCEL K)

ALL OF SECTION 27, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO.

(PARCEL L)

PARCEL A  
TRACT 2-CZARNEK REZONING, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A TRACT OF LAND SITUATED IN THE NORTHWEST 1/4 OF SECTION 28, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF ELBERT, STATE OF COLORADO, BEING A PORTION OF THAT PARCEL OF LAND DESCRIBED IN INSTRUMENT RECORDED SEPTEMBER 22, 1998 IN BOOK 581 AT PAGE 353 OF THE ELBERT COUNTY RECORDS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID NORTHWEST 1/4 AND CONSIDERING THE NORTH LINE OF SAID NORTHWEST 1/4 TO BEAR SOUTH 89 DEGREES 21 MINUTES 06 SECONDS EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE SOUTH 89 DEGREES 21 MINUTES 06 SECONDS EAST ALONG SAID NORTH LINE, A DISTANCE OF 1185.11 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 02 DEGREES 42 MINUTES 01 SECONDS WEST A DISTANCE OF 1891.05 FEET TO THE CENTERLINE OF A 60.00 FOOT WIDE NON-EXCLUSIVE INGRESS AND EGRESS EASEMENT;

THENCE EASTERLY ALONG SAID CENTERLINE OF THE NEXT THREE (3) COURSES:

1. THENCE EASTERLY ALONG THE ARC OF A CURVE TO THE LEFT, A DISTANCE OF 260.04 FEET SAID CURVE HAS A RADIUS OF 900.00 FEET, AND A CENTRAL ANGLE OF 16 DEGREES 33 MINUTES 17 SECONDS TO A POINT OF TANGENT;

2. THENCE NORTH 85 DEGREES 44 MINUTES 56 SECONDS EAST ALONG SAID TANGENT, A DISTANCE OF 576.94 FEET TO A POINT OF CURVE;

3. THENCE EASTERLY ALONG THE ARC OF A CURVE TO THE RIGHT, A DISTANCE OF 211.38 FEET, SAID CURVE HAS A RADIUS OF 2000.00 FEET AND A CENTRAL ANGLE OF 06 DEGREES 03 MINUTES 10 SECONDS;

THENCE NORTH 00 DEGREES 42 MINUTES 40 SECONDS EAST, A DISTANCE OF 1848.93 FEET TO THE NORTH LINE OF SAID NORTHEAST 1/4;

THENCE NORTH 89 DEGREES 21 MINUTES 06 SECONDS WEST, A DISTANCE OF 978.91 FEET TO THE POINT OF BEGINNING, COUNTY OF ELBERT, STATE OF COLORADO.

PARCEL B:

A NON-EXCLUSIVE INGRESS EGRESS EASEMENT DESCRIBED IN DEED RECORDED DECEMBER 20, 1982 IN BOOK 352 AT PAGE 580, COUNTY OF ELBERT, STATE OF COLORADO.