

DISTRICT COURT, EL PASO COUNTY, COLORADO  
20 East Vermijo Avenue  
Colorado Springs, Colorado 80903

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**Plaintiffs:**

C. RANDEL LEWIS AND DAVID S. COHEN, CO-  
RECEIVERS OF THE POWERS  
BOULEVARD/DRENNAN ROAD LOCAL  
IMPROVEMENT DISTRICT 1985-2, a political  
subdivision of the State of Colorado,

**Defendant:**

THE CITY OF COLORADO SPRINGS, a municipality.

Attorneys for C. Randel Lewis and David S. Cohen,  
Co-Receivers:

(1) Caroline C. Fuller, #14403  
(2) John M. Tanner, #16233  
FAIRFIELD AND WOODS, P.C.  
Wells Fargo Center, Suite 2400  
1700 Lincoln Street  
Denver, Colorado 80203-4524  
Phone Number: (303) 830-2400  
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▲ COURT USE ONLY ▲

Case No. 99-CV-1944  
Case No. 01-CV-0566

Div. 3

**RECEIVERS' MOTION FOR AUTHORITY TO ENTER INTO SETTLEMENT  
AGREEMENT**

C. Randel Lewis and David S. Cohen, the Court-appointed Co-Receivers in this action (the "Receivers"), by their counsel, Fairfield and Woods, P.C., seek authority to enter into a Settlement Agreement resolving the Annexation Litigation. A related motion, seeking approval of the Settlement Agreement and entry of an order making it binding on all parties to the Annexation Litigation, will be filed in the near future.

1. On February 23, 2001, the Receivers filed their original Complaint for Declaratory Judgment and Related Relief against the City of Colorado Springs, Case No. 01-CV-0566 (the "Annexation Litigation"). On July 12, 2002, the Receivers filed their

Amended Complaint, joining additional parties as Defendants in the Annexation Litigation. On October 15, 2003, the Co-Receivers filed their Second Amended Complaint in the Annexation Litigation.

2. As the Receivers reported to this Court in their Petition for Instructions, filed on or about September 18, 2000, from the Receivers' perspective, the Annexation Agreement created several significant obstacles to the sale or development of the Receivership Property: They commenced the Annexation Litigation in an effort to resolve those obstacles.

3. The Receivers approached their negotiation of the Settlement Agreement with several goals in mind:

- a. To terminate further arguments that the Annexation Agreement imposed joint and several liability on the Property Owners for shared infrastructure costs, and that the first Property Owner to develop property within the annexed area could be held responsible for the full costs of all off-site infrastructure development required by the Annexation Agreement. This potential joint and several liability for shared infrastructure significantly chilled interest in purchase of the Receivership Property.
- b. The Receivers sought to eliminate any risk that the dissolved Banning Lewis Ranch Planning Association could be revived and exert power over the Receivership Property. While the Annexation Agreement gave the Planning Association power over all annexed property, the Declarations of the Planning Association excluded the Receivership Property. Thus, an owner of the Receivership Property faced the risk that those in control of a revived Planning Association could dictate the development of the Receivership Property, without any voice from, or accountability to, the owner of the Receivership Property.
- c. Finally, to the extent that off-site development costs remain the responsibility of a purchaser of the Receivership Property, the Co-Receivers hoped to make the quantification and allocation of those costs as simple as possible, by delegating the responsibility for such quantification and allocation to the City of Colorado Springs, which routinely handles such matters.

4. The Receivers, and certain other key parties, have entered into a Settlement Agreement resolving the issues raised in the Annexation Litigation. A copy of the Settlement Agreement is attached as **Exhibit 1**. Each of the Receivers' goals has been achieved in the Settlement Agreement.

5. The Settlement Agreement contains the following key terms:

- a. The Settlement Agreement clarifies that the Annexation Agreement does not impose joint and several liability on the property owners whose property is subject to the terms of the Annexation Agreement (“the Property Owners”) for all infrastructure development. Rather, each Property Owner is responsible for the on-site development costs related to its proposed development of its own property. In addition, the Property Owners are liable for only their share of certain Shared Infrastructure costs applicable to the entire annexed property.
  - b. To the extent that development is not governed by special districts, the City will determine both what items of infrastructure are considered Shared Infrastructure, and the allocation of those costs among the Property Owners. The first Property Owner whose development triggers the need for such Shared Infrastructure will be entitled to cost recovery from other benefited Property Owners in accordance with this allocation of costs.
  - c. The Banning Lewis Ranch Planning Association will have no authority or control over the Receivership Property. Rather, the City will perform the functions originally delegated to the Planning Association, including review of all development plans, allocation of infrastructure costs, administration of cost recovery agreements, and administration of the Banning Lewis Ranch Improvement Fund, created under the Annexation Agreement.
  - d. The Annexation Agreement is clarified to require the completion of the Jimmy Camp Creek Drainage Basin Study as a condition to development within that Basin only, and not as a condition to development of any other property subject to the Annexation Agreement.
  - e. The City shall have no obligation to incur any Extraordinary Costs in providing the Shared Infrastructure cost allocation functions provided for in the Settlement Agreement. For example, the City shall have no obligation to prepare preliminary engineering cost studies in order to determine the proper cost allocation; rather, the Property Owner whose development plan triggers the need for such studies will either prepare them itself, or will pay the City in advance for the City’s costs in doing so. The Property Owner paying for such studies will be entitled to reimbursement from other Property Owners benefiting from such studies, in accordance with the allocation of costs and cost recovery provided for in the Agreement. In addition, the City shall not be deemed to have incurred any obligation to construct infrastructure or improvements, or to provide services, other than those expressly set forth in the Annexation Agreement, the Settlement Agreement, or applicable ordinances.
6. The Settlement Agreement represents the products of months of negotiation among the Receivers and the largest Active Defendants in the Annexation

Litigation. The Settlement Agreement requires that its provisions be made binding on all parties named therein, including all Property Owners subject to the terms of the Annexation Agreement, and all transferees of Property Owners, and all successors and assigns, whether or not those Parties have affirmatively signed the Settlement Agreement. A separate motion seeking approval of the Settlement Agreement, and entry of an order making it binding on all Parties, including Property Owners, and all successors and assigns, will be filed in the near future. By this Motion, the Receivers merely seek Court approval of their execution of the Settlement Agreement.

7. The Co-Receivers believe that the Settlement Agreement is in the best interests of the Receivership Estate. Most fundamentally, the Receivers believe that implementation of the Settlement Agreement renders the Receivership Property marketable. The Receivers anticipate that sale of the Receivership Property will generate sufficient proceeds to satisfy all costs of administration of this receivership estate, and to pay all outstanding Bonds in full, with interest. Thus, the Receivers will have fulfilled their Court-ordered obligations, and this receivership proceeding may be closed shortly thereafter.

8. The alternative to the Receivers to the Settlement Agreement is continued litigation. The Receivers believe that the settlement of the Annexation Litigation presented by the Settlement Agreement is preferable to continued litigation, for at least the following reasons:

- a. The Settlement Agreement achieves the primary goals of the Receivers in commencing the Annexation Litigation. The primary goals of the Receivers in commencing the Annexation Litigation were to terminate the joint and several liability arguably imposed on the Receivership Property by the Annexation Agreement, and to clarify the procedures to be followed in any future development of the Receivership Property. The Settlement Agreement accomplishes each of these primary goals. Upon Court approval of the Settlement Agreement, and a determination by the Court that its provisions are binding on the Property Owners and other interested parties, the Receivers believe that the Receivership Property will become marketable.
- b. Further litigation would be expensive and time-consuming. The issues raised in the litigation are novel and complex, and have far-reaching implications. One of the forms of relief requested by the Receivers is the right to reject the Annexation Agreement as an executory contract which unduly burdens the receivership estate. The outcome of such litigation could have far-reaching implications on future development, within the City and the state.

Until the issues raised in the litigation have been finally resolved, it would be impossible for the Receivers to consummate a sale of the Receivership Property, or to make payment to the bondholders. Interest on the

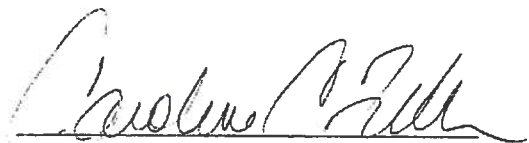
outstanding Bonds would continue to accrue, at a rate of approximately \$300,000 per year, until final resolution of the litigation. While trial of the Annexation Litigation was imminent when the Settlement Agreement was reached, the prospect of subsequent appeals made final resolution of the issues in a timely fashion uncertain. The Receivers have no assurance that the value of the Receivership Property would appreciate in a comparable amount over this extended time period.

- c. The outcome of the litigation is uncertain. While the Receivers believe strongly in the merits of their claims, the Active Defendants have raised defenses to each. The receivership estate has no certainty that it would prevail on any or all of the claims asserted. In addition, the receivership estate faces the risk that the Court would impose terms and conditions that would leave uncertainty in the development process and, accordingly, render the Receivership Property less marketable. Thus, the Settlement Agreement provides needed certainty regarding the remaining obligations under the Annexation Agreement.

For the foregoing reasons, the Receivers seek authority for their execution of the Settlement Agreement, and such other and further relief as the Court deems just and proper.

Dated this 25<sup>th</sup> day of September, 2004.

FAIRFIELD AND WOODS, P.C.

  
Caroline C. Fuller, # 14403

## AGREEMENT

This Agreement is entered into as of the \_\_\_\_ day of September, 2004, by and among the City of Colorado Springs (the "City"); C. Randel Lewis and David S. Cohen (the "Co-Receiver") in their capacities as Co-Receiver of the Powers Boulevard/Drennan Road Local Improvement District 1985-2 (the "District"); and A E - Barnes LLC; Golden Gate Apartments Ltd. LP, as successor to Frank A. Aries; The Estate of C.H. McAllister; Cherokee Water and Sanitation District; Colorado Centre, J.V.; Colorado Department of Transportation; The Banning Lewis Ranch Company, LLC ("BLRC"); Cygnet Land LLC; Board of County Commissioners of El Paso County; Falcon Trucking Company; Frank R. Krejci; KVI Colorado Corporation; MGF Acquisition Corp.; Options Investment Corporation; The Raymond L. Powers and Dorothy M. Powers Revocable Trust; 609 Plus Associates, Ltd.; Church for all Nations Inc.; Tucson/Colorado Associates; US Olympic Committee; Venwest Development Limited Partnership I; M. Diane Koken, Insurance Commissioner of the Commonwealth of Pennsylvania, in her capacity as Statutory Liquidator of World Life and Health Insurance Company of Pennsylvania; Colorado Springs Land Associates; K.P. Investment Group, L.P., by and through liquidating trustee, Stephen Phillips; and Colorado Centre Metropolitan District (collectively, the "Property Owners"), and CPH Banning Lewis Ranch LLC ("CPH"), Aries Properties, Inc. and Banning Lewis Ranch Planning Association, Inc. (the "Other Parties") (the City, the Co-Receiver, the Property Owners and the Other Parties will be referred to collectively as the "Parties").

## RECITALS

A. By order of the District Court, El Paso County, in Case No. 99-CV-1944, the Co-Receiver were appointed as the receivers for approximately 700 acres located within the District (the "Receivership Property"), which is located within the larger parcel described on Exhibit A.

B. The Receivership Property (together with other property located within the District's boundaries) was annexed to the City pursuant to an Annexation Agreement dated as of September 23, 1988, between the City and the Property Owners or their predecessors-in-interest, which Agreement was recorded in the records of the El Paso County Clerk and Recorder on September 23, 1988, at Reception No. 01749337, Book 5557, Page 405 (the "Annexation Agreement"). The Annexation Agreement annexed into the City approximately 24,311 acres known generally as the Banning Lewis Ranch, which property is more particularly described on Exhibit A. The Property Owners are the current owners of all property annexed to the City of Colorado Springs through the Annexation Agreement.

C. The Co-Receiver commenced a declaratory judgment action against the City in the District Court, El Paso County, Case No. 01-CV-0566 (the "Declaratory Judgment Action") on February 23, 2001. The Property Owners and Other Parties were subsequently joined as additional defendants in the Declaratory Judgment Action.

D. The Property Owners and City agree that certain clarifications of the Annexation Agreement are appropriate to address the issues raised in the Declaratory Judgment Action. This Agreement sets forth the agreement of the Parties to fully and amicably resolve the Declaratory Judgment Action and to clarify and interpret certain provisions of the Annexation Agreement.

This Agreement is subject to approval by the District Court and such further documentation as the Parties deem necessary to effectuate this Agreement.

## AGREEMENT

The Parties now agree as follows:

1. Principles Underlying this Settlement. It is the intent of this Agreement to clarify and interpret certain provisions of the Annexation Agreement without amending the Annexation Agreement, and without affecting its underlying intent and purpose. Except as expressly provided for herein, none of the Parties is intending to give up (and is not relinquishing) any rights or benefits granted under the Annexation Agreement, and this Agreement shall not be interpreted as such. The Parties agree that a consensual resolution negotiated by the Parties that addresses the goals of each Party is desirable. It is in the best interests of the Parties, including the bondholders and stakeholders of the District and the beneficiaries of the receivership proceedings, to avoid unnecessary risks and achieve a consensual resolution of all issues raised in the Declaratory Judgment Action.

2. Clarification of Term "Annexor." The term "Annexor" is defined in the Annexation Agreement to include the owner of each property annexed to the City by the Annexation Agreement, collectively. The Parties recognize that this definition has been interpreted in the past, and might be interpreted in the future, to impose joint and several liability on each Property Owner to perform all obligations imposed on the Annexor under the Annexation Agreement. The Parties agree that the definition of the term "Annexor" was not intended to, and shall not, impose such joint and several liability on each Property Owner for all obligations attributed to the Annexor under the Annexation Agreement. To the extent any obligations, including, but not limited to, impact fees, under the Annexation Agreement have been, or are, imposed in such a joint and several manner, the affected Property Owner(s) shall be entitled to contribution from the other Property Owners such that each Property Owner pays its equitable and proportional share in accordance with Paragraph 4 below. This provision is not intended to affect recovery by any Property Owner that has made annual deficit payments under Article XI(F) of the Annexation Agreement from pursuing recovery of those deficit payments from the Urban Service Extension Fee account under Article XI(F) and (I). Such account shall be administered by the City in the same manner as provided in Paragraph 6 below as to the Banning Lewis Ranch Improvement Fund.

3. Clarification of Responsibility for Development Costs.

- a. On-Site Development. All on-site development costs and obligations required under the Annexation Agreement or under the ordinances and policies of the City related to each Property Owner's proposed development of its property (the "On-Site Development"), as opposed to Shared Infrastructure, as defined below, shall be the obligation of such Property Owner. Each Property Owner may develop its property in such manner as it chooses in accordance with applicable law, and shall be responsible for its On-Site Development costs and obligations as evidenced in a development plan approved by the City.
- b. Shared Infrastructure Costs. The Parties agree that certain infrastructure, public improvements, oversizing and similar obligations required to be constructed under the Annexation Agreement, including, without limitation, water, sewer and

electric improvements (the "Shared Infrastructure") benefit each Property Owner. As a result, each Property Owner shall bear its proportionate share of the costs of completion of Shared Infrastructure obligations as specified in Paragraph 4 below. The City shall be responsible for determining the Shared Infrastructure and the appropriate allocation of Shared Infrastructure costs to each Property Owner and shall implement the cost recovery procedure in accordance with Paragraph 4 below.

- c. Jimmy Camp Creek Drainage Basin Study. The Parties agree that the intent of Article IV(A) of the Annexation Agreement is that the completion of the Jimmy Camp Creek Drainage Basin Planning Study and approval thereof by the City Council must occur prior to any platting within the Jimmy Camp Creek Drainage Basin only, and not any other portions of the property annexed pursuant to the Annexation Agreement.

4. Special Districts and Cost Recovery. The Parties recognize that Article XVII of the Annexation Agreement contemplates the formation of one or more special districts to provide funding for Shared Infrastructure development. To the extent that the cost of Shared Infrastructure development is not funded through the use of special districts, the City shall require all Property Owners benefiting from the construction of such Shared Infrastructure to reimburse each Property Owner incurring the costs of such Shared Infrastructure (the "Constructing Property Owner") pursuant to an equitable reimbursement and cost recovery agreement providing for repayment to such Constructing Property Owner at the time of final platting by the benefited Property Owner. The City also shall provide for the reimbursement to any Constructing Property Owner for such Shared Infrastructure development benefiting other Property Owners out of the Banning Lewis Ranch Improvement Fund (defined below), but only to the extent that monies are available in that fund, or by credit against other fees paid or payable by the Constructing Property Owner under the Annexation Agreement; or by any other economically equivalent cost recovery method effected in accordance with City ordinances and policies. With respect to the Property subject to the Annexation Agreement, the City agrees not to adopt ordinances and policies or interpret or implement existing or future ordinances or policies in a manner that would adversely affect such cost recovery or reimbursement procedures. The cost recovery procedure specified herein shall be applicable to all Shared Infrastructure required by the City under the Annexation Agreement notwithstanding any limitations or conflicts under City ordinances and policies.

5. Planning Association. The Parties recognize that Article XIX(©) of the Annexation Agreement provides that the City shall use its best efforts to determine that the Banning Lewis Ranch Planning Association (the "Planning Association"), or a similar entity, reviews all platting, site development plans, concept plans and building permits before their submittal to the City (referred to herein as the "Planning Association Review Function"). The Parties clarify that the City shall directly review all platting, site development plans, concept plans and building permits without submittal to the Planning Association. Notwithstanding the foregoing, BLRC, at its sole option, may seek and cause the reinstatement of the Planning Association, whereupon the reinstated Planning Association may perform the Planning Association Review Function under the Annexation Agreement, as to all or a portion of the property currently owned by BLRC.

6. Banning Lewis Ranch Improvement Fund. The Parties acknowledge and confirm that the City shall directly administer the Banning Lewis Ranch Improvement Fund as the entity



designated in lieu of the Planning Association, shall receive the fees to be paid under the Annexation Agreement and will be responsible for cost recovery and expense reimbursements as contemplated by the Banning Lewis Ranch Improvement Fund to be established under Article XIX(A) of the Annexation Agreement and under Paragraph 4 above. The City shall be responsible for establishing and administering the Banning Lewis Ranch Improvement Fund in a segregated trust account, held separate and apart from the City's General Fund, with all funds therein reserved solely for the Banning Lewis Ranch for the purposes defined in the Annexation Agreement. The Parties agree to designate the City as the entity responsible for (i) allocation of development costs among Property Owners, (ii) implementation of reimbursement and cost recovery in accordance with Paragraph 4 above, (iii) the collection of all service and impact fees required by the Annexation Agreement, and (iv) for the segregation and preservation in, and proper disbursements from the Banning Lewis Ranch Improvement Fund of all fees, assessments, and other charges imposed by, and collected under, the Annexation Agreement to fund Shared Infrastructure development contemplated by the Annexation Agreement.

7. Extraordinary Costs; Nonliability of City. It is not contemplated that the City shall incur, and the City shall have no obligation to incur, any costs not ordinarily incurred by the City, nor compensated to the City through the City's development fees, in providing the Shared Infrastructure cost allocation functions set forth in Paragraphs 3b, 4, and 6 hereof ("Extraordinary Costs"). For example, the City shall have no obligation to incur Extraordinary Costs in preparing preliminary engineering cost studies required for purposes of determining the allocation of Shared Infrastructure costs. Rather, the Property Owner whose development plan triggers the need for such preliminary engineering cost studies shall prepare such studies or alternatively pay for the City's actual, direct and reasonable out of pocket cost of such studies, subject to reimbursement in accordance with Paragraph 4 hereof. Additionally, the Parties agree that the City shall not be deemed to have incurred any liabilities or obligations to construct infrastructure or improvements or to provide services other than as expressly set forth in this Agreement, the Annexation Agreement or under applicable ordinances.

8. Amendment. The parties agree that Section XIX(J) of the Annexation Agreement shall be interpreted to not require the consent of Aries Properties Inc. or, unless BLRC revives the Planning Association, the Planning Association to amend the Annexation Agreement. Any amendment to the Annexation Agreement must be approved in writing by the City and by such Property Owners affected by the amendment.

9. Ratification. Except as clarified in the foregoing paragraphs, the terms of the Annexation Agreement are hereby ratified and reaffirmed by the Parties and remain unmodified and in full force and effect.

10. Binding Effect. This Agreement shall be binding upon all Parties that have executed this Agreement. In the event this Agreement is not executed by all of the Parties hereto, but has been executed by the City, the Co-Receivers, BLRC and CPH, then the Co-Receivers agree to submit this Agreement for approval to the District Court. The terms of this Agreement shall not be binding on Parties not signatories hereto until this Agreement has been approved by the District Court. Upon the receipt of such approval, this Agreement shall be in full force and effect and binding on all of the Parties.

11. Recordation. The Parties agree that, upon final approval by the District Court, this Agreement shall be recorded in the real estate records of the El Paso County Clerk and Recorder,

and shall constitute covenants running with the land and be binding upon all Parties and all successors, assigns and subsequent purchasers and successors in title.

12. Additional Documentation. Upon receipt of District Court approval, the Parties agree to execute such additional reasonable documentation as BLRC, the City and the Co-Receiver may reasonably request to effectuate and implement the terms and conditions of this Agreement. Upon receipt of such approval, the Parties will jointly seek: (i) the addition of BLRC as a party to the Declaratory Judgment Action; (ii) the entry of a declaratory judgment in the Declaratory Judgment Action that reflects the terms of this Agreement; and (iii) the dismissal with prejudice of all remaining claims, counterclaims, and cross-claims asserted in the Declaratory Judgment Action. Dismissal will be without prejudice to any of the Parties' ability to enforce the Annexation Agreement (as interpreted in this Agreement), this Agreement, and any rights of reimbursement they may hold under the Annexation Agreement. Upon entry of such judgment, BLRC shall seek (or cause CPH to seek) the dismissal with prejudice of State of Colorado Court of Appeals Case No. 04CA816, *CPH Banning-Lewis Ranch, LLC v. Board of County Commissioners of El Paso County, Colorado, et. al.*

13. Ownership of Property. Each Property Owner represents and warrants that it is currently the owner of property subject to the Annexation Agreement, and has not transferred or conveyed any fee interest in such property to any party not also a Party to this Agreement.

14. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of all Parties, their heirs, successors and assigns. As used in this Agreement and any subsequent documentation evidencing the agreements set forth herein, "Property Owners" shall include all successors and assigns of each Property Owner and all purchasers of any property subject to the provisions of the Annexation Agreement.

15. Entire Agreement. This Agreement, with respect to the specific subject matter hereof, constitutes the entire agreement among the Parties and may not be amended without a written agreement consented to by the Parties.

16. Situs and Interpretation. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. The Parties and their respective counsel have reviewed and approved this Agreement. Accordingly, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

17. Validity of Agreement. It is understood and agreed to by the Parties that if any part, term or provision of this Agreement is held by the courts to be illegal or in conflict with any law, the validity of the remaining portions or provisions shall not be affected, and this Agreement shall be interpreted as if it did not contain the particular part, term, or provision held to be invalid.

18. Counterparts; Facsimile Signatures. This Agreement may be executed in counterparts with the same effect as if all parties hereto had signed the same document. All such counterparts shall be construed together and shall constitute a single agreement. This Agreement may be signed by facsimile signature, which shall have the effectiveness of an original signature.

IN WITNESS WHEREOF, the Parties hereto have executed this agreement: as of the day and year first above written.

CITY:

CITY OF COLORADO SPRINGS, a home rule city and municipal corporation of the State of Colorado

By: \_\_\_\_\_  
Lorne Kramer  
Title: City Manager

CO-RECEIVERS:

C. RANDEL LEWIS or DAVID S. COHEN, in their capacities as Co-Receivers of the Powers Boulevard/Drennan Road Local Improvement District 1985-2

By: [Signature]  
C. Randel Lewis or David S. Cohen  
Title: Co-receiver

**PROPERTY OWNERS:**

\_\_\_\_\_  
Frank Arias

THE ESTATE OF C.H. McALLISTER, by  
and through its personal representative

M.D. McAllister  
M.D. McAllister

CHEROKEE METROPOLITAN  
DISTRICT, a quasi-municipal corporation

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

COLORADO CENTRE I.V., an Arizona  
general partnership

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

COLORADO CENTRE METROPOLITAN  
DISTRICT, a quasi-municipal corporation

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

COLORADO DEPARTMENT OF  
TRANSPORTATION

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

COLORADO SPRINGS LAND  
ASSOCIATES, a New York general  
partnership

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

THE BANNING LEWIS RANCH  
COMPANY, LLC, a Delaware limited  
liability company

By: Makar Properties, LLC, Co-Managing  
Member

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

CYGNET LAND, LLC, a Colorado limited  
liability company

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

BOARD OF COUNTY COMMISSIONERS  
OF EL PASO COUNTY, a political  
subdivision

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

FALCON TRUCKING COMPANY, a  
Michigan corporation

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

K.P. INVESTMENT GROUP, L.P., a  
Pennsylvania limited partnership, by and  
through liquidating trustee, Stephen Phillips

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

**PROPERTY OWNERS:**

\_\_\_\_\_  
Frank Aries

THE ESTATE OF C.H. MCALLISTER, by  
and through its personal representative

\_\_\_\_\_  
M.D. McAllister

CHEROKEE METROPOLITAN  
DISTRICT, a quasi-municipal corporation

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

COLORADO CENTRE J.V., an Arizona  
general partnership

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

COLORADO CENTRE METROPOLITAN  
DISTRICT, a quasi-municipal corporation

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

COLORADO DEPARTMENT OF  
TRANSPORTATION

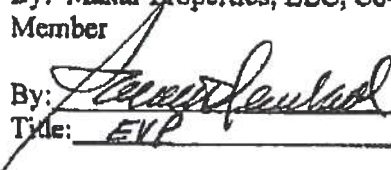
By: \_\_\_\_\_  
Title: \_\_\_\_\_

COLORADO SPRINGS LAND  
ASSOCIATES, a New York general  
partnership

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

THE BANNING LEWIS RANCH  
COMPANY, LLC, a Delaware limited  
liability company

By: Makar Properties, LLC, Co-Managing  
Member

By:   
Title: EVP

CYGNET LAND, LLC, a Colorado limited  
liability company

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

BOARD OF COUNTY COMMISSIONERS  
OF EL PASO COUNTY, a political  
subdivision

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

FALCON TRUCKING COMPANY, a  
Michigan corporation

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

K.P. INVESTMENT GROUP, L.P., a  
Pennsylvania limited partnership, by and  
through liquidating trustee, Stephen Phillips

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

\_\_\_\_\_  
Frank R. Krejci

KVI COLORADO CORPORATION, a  
Colorado corporation

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

MGF ACQUISITION CORP., a North  
Carolina corporation

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

OPTIONS INVESTMENT  
CORPORATION, a Colorado corporation

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

The Raymond L. Powers and Dorothy M.  
Powers Revocable Trust

\_\_\_\_\_  
Raymond Powers, as Trustee

\_\_\_\_\_  
Dorothy Powers, as Trustee

CHURCH FOR ALL NATIONS INC.

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

TUCSON/COLORADO ASSOCIATES, an  
Arizona limited partnership

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

UNITED STATES OLYMPIC  
COMMITTEE

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

VENWEST DEVELOPMENT LIMITED  
PARTNERSHIP I, an Arizona limited  
partnership

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

M. Diane Koken, Insurance Commissioner  
of the Commonwealth of Pennsylvania, in  
her capacity as Statutory Liquidator of  
World Life and Health Insurance Company  
of Pennsylvania

By: \_\_\_\_\_  
Its: \_\_\_\_\_

609 PLUS ASSOCIATES, LTD., a  
Colorado limited partnership

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

**GOLDEN GATE APARTMENTS LTD. LP**

By: \_\_\_\_\_  
Frank A. Aries  
Title: \_\_\_\_\_

**OTHER PARTIES:**

**ARIES PROPERTIES, INC., a Colorado  
corporation**

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

**BANNING LEWIS RANCH PLANNING  
ASSOCIATION, INC., a Colorado for profit  
corporation**

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

**CPH BANNING-LEWIS RANCH, LLC,  
a Delaware limited liability company**

By: **CPH BLR, LLC, a Delaware limited  
liability company, Managing  
Member**

By: **Capital Pacific Holdings,  
Inc., a Delaware corporation,  
Sole Member**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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**EXHIBIT A**  
**BANNING LEWIS RANCH**

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## CERTIFICATE OF SERVICE

I hereby certify that on this 22<sup>nd</sup> day of September, 2004, a copy of the foregoing was mailed, postage prepaid, addressed to each of the following:

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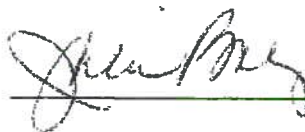
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I further certify that prior to September 28, 2004, the foregoing document will be posted on the receivership website ( www.fwlaw.com/pd. ) and e-mail notice of that posting will be sent to the following persons who have requested to be on the receivership's "E-Mail List" as specified in the Order Establishing Notice Procedure:

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