

ORIGINAL

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FROM : 00000000000000000000

PHONE NO. : 000000000000000000

Jun. 05 2001 06:28AM P1



0000116311

OPEN MEETING AGENDA ITEM

FAX TO FAX TRANSMISSION

June 4, 2001

RECEIVED

2001 JUN -5 A 8:30

AZ CORP COMMISSION
DOCUMENT CONTROL

URGENT- OPEN MEETING June 5 10:00 AM

TO: AZ Securities Division - ACC
Jerry Lowe, Investigator

Arizona Corporation Commission

DOCKETED

FR: Barbra Bourne

JUN 05 2001

RE: S-03353A-01-0000 Stedman, Davis, Decker, Testino, Oxford, AIA

DOCKETED BY
AIA

SUBJ: Docs for Open Meeting

PG: 1

Jerry:

Please provide the commission the following documents for this morning's meeting.

- Weld County Title Commitment Report March 2001
(Bourne secured interests)
- Copy of Envelope from Weld County Trustee for Foreclosure
- Copy of 1st page of Compass Bank/First Tier Foreclosure Notice
- Copy of Spyglass LLC Letter August 1995

I will make arrangements to call in and participate.

Thank you for your attention to this matter.

Barbra Bourne

ACC31086
S-3353A

THIS COMMITMENT IS ISSUED IN LIEU OF WELD COUNTY TITLE COMPANY'S
COMMITMENT NO. CT548152, WHICH IS HEREBY CANCELLED

COMMITMENT FOR TITLE INSURANCE
* * * * *
SCHEDULE A

1. Effective Date: MARCH 13, 2001 @ 7:00 A. M. RE: Our Order No.: CT54815C

2. Policy or Policies to be issued:

A. ALTA Owner's Policy Amount \$
Proposed Insured:

B. ALTA Loan Policy Amount \$ TO BE AGREED UPON
Proposed Insured:
TO BE AGREED UPON

C. ALTA Loan Policy Amount \$
Proposed Insured:

3. The estate or interest in the land described or referred to in this
Commitment and covered herein is a fee simple, and title thereto is
at the effective date hereof vested in:

FIRST DACONO DEVELOPMENT, LLC, A DELAWARE LIMITED LIABILITY COMPANY

4. The land referred to in this Commitment is described as follows:

"SEE SCHEDULE A CONTINUED"

COMMITMENT FOR TITLE INSURANCE

* * * * *

SCHEDULE B

Section 1

RE: Our Order No.: CT54815C

REQUIREMENTS:

The following are the requirements to be complied with:

Item (a) Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.

Item (b) Payment of all taxes, charges or assessments, levied and assessed against the subject premises which are due and payable.

Item (c) The following instrument(s) must be properly executed and filed of record in the Official Land Records of Weld County, Colorado, to wit:

1. A copy of the Operating Agreement and the Articles of Organization for First Dacono Development LLC, A LIMITED LIABILITY COMPANY must be presented to Weld County Title Company for examination and retention in its files.
2. Deed of Trust from FIRST DACONO DEVELOPMENT, LLC, A DELAWARE LIMITED LIABILITY COMPANY to the Public Trustee for the use of TO BE AGREED UPON.
3. Release Deed of Trust from OXFORD DEVELOPMENT, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY to the Public Trustee for the use of Ronald Hassey, John Denny, Arizona Investment Advisors on behalf of Barbara Eourne, Arizona Investment Advisors on behalf of Mark D. Schuttner, Elizabeth I. Taylor, First National Bank of Onaga, Custodian FBO Arch W. Fulton IRA, Jerry Walker, and future lenders to be named, in the amount of \$1,000,000.00, dated February 19, 1997, and recorded February 26, 1997 in Book 1593 as Reception No. 2535010.
4. Release Deed of Trust from OXFORD DEVELOPMENT, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY to the Public Trustee for the use of Triangle International, LLC, and Jan Bommel in the amount of \$992,500.00, dated December 11, 1998, and recorded December 18, 1998 as Reception No. 2661407.
5. Partial Release Deed of Trust from OXFORD DEVELOPMENT, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY to the Public Trustee for the use of Jan Bommel, in the amount of \$217,500.00, dated December 11, 1998 and recorded December 18, 1998 as Reception No. 2661410, for the land described herein.
6. Partial Release Deed of Trust from OXFORD DEVELOPMENT, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY to the Public Trustee for the use of Renaissance Asset Fund, Inc., in the amount of \$50,000,000.00, dated October 29, 1999 and recorded November 2, 1999 as Reception No. 2710234, for the land described herein.

CONTINUED NEXT PAGE

7. Release Deed of Trust from OXFORD DEVELOPMENT, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY to the Public Trustee for the use of Firstier Bank in the amount of \$3,000,000.00, dated December 17, 1999, and recorded December 21, 1999 as Reception No. 2739748.
8. Release Deed of Trust from OXFORD DEVELOPMENT, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY to the Public Trustee for the use of Renaissance Asset Fund, Inc. in the amount of \$4,450,000.00, dated December 17, 1999, and recorded December 21, 1999 as Reception No. 2739752.
9. Release Deed of Trust from OXFORD DEVELOPMENT, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY to the Public Trustee for the use of Renaissance Asset Fund, Inc. in the amount of \$1,550,000.00, dated September 19, 2000, and recorded October 3, 2000 as Reception No. 2797274.
10. Release of Notice Extending Time to File Lien filed against Oxford Development, LLC, by MKK Consulting Engineers, Inc., recorded FEBRUARY 26, 2001, as RECEPTION NO. 2828126.
11. Release of Mechanic's/Materialmen's Lien against Oxford Development, LLC, evidenced by statement by OZ Architecture, aka OZ Architecture, Inc., recorded FEBRUARY 27, 2001 as RECEPTION NO. 2828549, in the amount of \$75,984.20.
12. Release of Mechanic's/Materialmen's Lien against Oxford Development, LLC, evidenced by statement by Etkin Skanska Construction Company, a Colorado corporation, recorded FEBRUARY 28, 2001 as RECEPTION NO. 2828654, in the amount of \$199,844.87.
13. Release of Mechanic's/Materialmen's Lien against Oxford Development, LLC, and First Dacono Development, LLC, evidenced by statement by Etkin Skanska Construction Company, a Colorado corporation, recorded MARCH 12, 2001 as RECEPTION NO. 2831766, in the amount of \$199,844.87.
14. Release Deed of Trust from FIRST DACONO DEVELOPMENT, LLC, A DELAWARE LIMITED LIABILITY COMPANY to the Public Trustee for the use of E. B. Andrews Joint Venture 1, S.A., an Arizona corporation, in the amount of \$1,400,000.00, dated AUGUST 21, 2000, and recorded MARCH 19, 2001 as RECEPTION NO. 2833565; Promissory Note recorded in conjunction with said Deed of Trust on March 19, 2001 as Reception No. 2833566, and Guaranty recorded in conjunction with said Deed of Trust on March 19, 2001 as Reception No. 2833567.

COMMITMENT FOR TITLE INSURANCE

* * * * *

SCHEDULE B

Section 2

RE: Our Order No.: CI54815C

EXCEPTIONS:

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company: (a) Defects, liens, encumbrances, adverse claims, or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed Insured acquires of record for value the estate or interest or mortgage thereon covered by this Commitment; (b) Standard and Special Exceptions:

1. Rights or claims of parties in possession not shown by the public records.
2. Easements, or claims of easements, not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Taxes and assessments which are a lien or due and payable; and any tax, special assessments, charges or lien imposed for water or sewer service, or for any other special taxing district, any unredemmed tax sales.
6. Taxes for the year 2001, a lien, but not yet due or payable.
*****NOTE: Please see Requirement Item b, Schedule B, Section 1.
7. Right of way for Standley Lake Canal No. 1 and Standley Lake Canal No. 2 as evidenced by Statement filed in the Weld County Clerk & Recorder's Office; insofar as the same may affect subject property.

CONTINUED NEXT PAGE

CTS4015C

8. Perpetual easement for the construction, operation, maintenance, repair, renewal, reconstruction and use of a pipe line for the transportation of oil, gas and the products thereof, upon, along and under a strip of land 50 feet wide situated in the West 1/2 of Section 14, being 25 feet in width measured at right angles on each side of and parallel with the following described center line, to wit:
Beginning at a point on the North line of said Section 14, from whence the NW corner of the said Section 14 bears South 89°08' West, 1616.0 feet, said point being Engineer's Station 3504 + 70 on the center line of the said pipe line;
Thence South 00°13' West, 295.0 feet to Engineer's Station 3507 + 65;
Thence South 02°57' West, 2985.0 feet to Engineer's Station 3537 + 50, said point being an equidistant point, also designated as Engineer's Station 3537 + 95;
Thence South 02°59' East, 1986.0 feet to Engineer's Station 3537 + 81 on the South line of the said Section 14, from whence the SW corner of the said Section 14 bears South 88°05' West, 1544.0 feet;
as granted to Wyco Pipe Line Company by deed recorded November 1, 1947 in Book 1214 at Page 213.
9. All coal underlying the surface of a portion of subject property as conveyed by The Union Pacific Coal Company to The Department of Highways, State of Colorado, by Deed recorded December 5, 1958 in Book 1519 at Page 241.
10. Oil and Gas Lease from Union Pacific Railroad Company to Pan American Petroleum Corporation, recorded December 21, 1970 in Book 637 as Reception No. 1559254, and any interests therein, assignments or conveyances thereof; Affidavit of Lease Extension or Production recorded April 3, 1974 in Book 711 as Reception No. 1633347.
11. Perpetual easements for the construction, operation, maintenance, repair, renewal, relocation, reconstruction and use of an 8 inch and a 16 inch natural gas pipeline together with the right of ingress and egress to and from said land for the purpose of exercising the rights herein granted upon, along and under the following described parcels of land:
Strip 3:
A strip of land 50 feet in width, being all of that land lying between lines parallel with and 25 feet on each side of the following described centerline and said centerline prolonged:
Commencing at a point on the West line of said Section 14, from which point the NW corner of said Section bears North 00°10'22" East, 205 feet;
Thence North 89°46'53" East, 505.10 feet to the True Point of Beginning;
Thence South 00°13'07" East, 5000.00 feet to the terminus of said centerline, from which point the SW corner of said Section bears South 82°33'19" West, 570.71 feet;
EXCEPTING THEREFROM that portion crossing the 100 foot wide right-of-way of the Boulder Branch of the Union Pacific Railroad Company;
as granted to Panhandle Eastern Pipe Line Company by deed recorded January 27, 1981 in Book 926 as Reception No. 1848117.

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12. Easement for utility line purposes as granted to Public Service Company of Colorado by instrument recorded February 4, 1994 in Book 1425 as Reception No. 2372429, said easement being 2 parcels of land located upon subject property which are more particularly described as follows:
- 1) Commencing at the SW Corner of the SW 1/4 of said Section 14;
 Thence North $00^{\circ}19'01''$ West along the Westerly line of said Southeast 1/4 of Section 14, a distance of 30.01 feet to the Point of Beginning;
 Thence South $88^{\circ}30'41''$ West along a line 30.00 feet Northerly of and parallel with the Southerly line of the Southwest 1/4 of Section 14, a distance of 50.01 feet;
 Thence North $00^{\circ}19'01''$ West along a line 50.00 feet Westerly of and parallel with said Westerly line of the Southeast 1/4 of Section 14, a distance of 881.05 feet;
 Thence North $50^{\circ}14'18''$ East along a line 50.00 feet Southeasterly of and parallel with the centerline of the Stanley Ditch, also known as the Bull Canal, a distance of 113.75 feet;
 Thence South $35^{\circ}49'24''$ East along a line 50.00 feet Southwesterly of and parallel with the centerline of the Union Pacific Railroad Company, a distance of 20.93 feet;
 Thence South $00^{\circ}19'01''$ East along a line 50.00 feet Easterly of and parallel with the Westerly line of said Southeast 1/4 of Section 14, a distance of 934.25 feet;
 Thence South $88^{\circ}31'37''$ West along a line 30.00 feet Northerly of and parallel with the Southerly line of said Southeast 1/4 of Section 14, a distance of 50.01 feet to the Point of Beginning;
 - 2) Commencing at the Southwest Corner of the Southeast 1/4 of Section 14;
 Thence North $00^{\circ}19'01''$ West along the Westerly line of said Southeast 1/4 of Section 14, a distance of 30.01 feet;
 Thence South $88^{\circ}30'41''$ West along a line 30.00 feet Northerly of and parallel with the Southerly line of the Southwest 1/4 of Section 14, a distance of 50.01 feet;
 Thence North $00^{\circ}19'01''$ West along a line 50.00 feet Westerly of and parallel with said Westerly line of the Southeast 1/4 of Section 14, a distance of 1001.23 feet to the Point of Beginning;
 Thence continuing North $00^{\circ}19'01''$ West non-tangent with the following described curve, a distance of 75.14 feet;
 Thence along the arc of a curve to the right 50.00 feet Southwesterly of and parallel with the centerline of the Union Pacific Railroad Company, having a central angle of $01^{\circ}47'20''$, a radius of 1859.86 feet, a chord bearing South $37^{\circ}41'09''$ East, a distance of 58.07 feet, and an arc distance of 58.07 feet;
 Thence South $50^{\circ}14'18''$ West along a line 40.00 feet Northwesterly of and parallel with the centerline of the Stanley Ditch, also known as the Bull Canal, a distance of 45.64 feet to the Point of Beginning.
13. Conditions, restrictions and reservations contained in Deed from Union Pacific Land Resources Corporation, a corporation of the State of Nebraska to Oxford Development, LLC, an Arizona Limited Liability Company dated June 16, 1994 and recorded June 22, 1994 in Book 1447 as Reception No. 2394455.
14. Terms, conditions and provisions of Line Extension Agreement, between St. Vrain Sanitation District and Oxford Development recorded DECEMBER 18, 1995 in BOOK 1523 as RECEPTION NO. 2468018.

CT54815C

15. The effect, if any, of Order and Decree Creating District recorded November 13, 1997 in Book 1635 as Reception No. 2578947, which purports to create the South Weld Metropolitan District.
16. Terms, conditions and provisions of Deed and Agreement, between Union Pacific Land Resources Corporation and Rock Springs Royalty Company recorded May 18, 1998 as Reception No. 2613267.
17. Terms, conditions and provisions of Lease Addendum, between Rock Springs Royalty Company and Oxford Development, LLC, an Arizona Limited Liability Company recorded November 3, 1998 as Reception No. 2650987.
18. Notice of Oil and Gas Interests and Surface Use filed by HS. Resources, Inc. on January 23, 2001 as Reception No. 2820960.
19. The following notices have been recorded with the Clerk and Recorder of Weld County pursuant to CRS 9-1.5-103(1). These instruments do not define the exact location of the underground facilities and may or may not affect the subject property:
- | NOTICES | BOOK | RECEPTION NO. |
|---|------|---------------|
| A) MOUNTAIN BELL | 949 | 1870705 |
| B) UNION RURAL ELECTRIC | 949 | 1871004 |
| C) COLORADO INTERSTATE GAS | 1041 | 1979784 |
| D) ASSOCIATED NATURAL GAS, INC. | 1187 | 2132709 |
| E) UNITED POWER, INC., FORMERLY
UNION RURAL ELECTRIC ASSOCIATION, INC. | 1258 | 2239296 |
20. Possible rights of present or future creditors of Oxford Development, L.L.C., an Arizona limited liability company, to set aside or void the conveyance recorded January 22, 2001, of the land described in Schedule A based upon either the Federal Bankruptcy Code or state laws - including the Uniform Fraudulent Transfer Act - concerning fraudulent transfers.
21. Pending disbursement of the full proceeds of the loan secured by the Deed of Trust set forth above, this policy insures only to the extent of the amount actually disbursed, but increases as each disbursement is made in good faith and without knowledge of any defects in or objections to the title, up to the face amount of the policy.

FROM : 000000000000000000

PHONE NO. : 0000000000000000

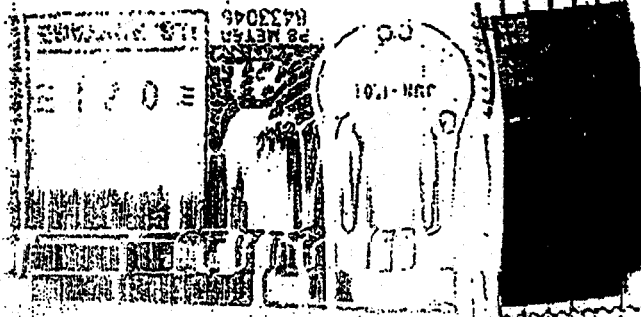
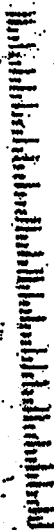
Jun. 05 2001 05:29AM P2

Ms. Mary Hergert
Weld County Public Trustee
809 9th Street, #1
Greely, CO 80631

01-217

Ms. Barbara Bourne
2968 W. Plc. Montessa
Tucson, AZ 85741

574142375



PUBLIC TRUSTEE'S NOTICE OF RIGHTS TO CURE OR REDEEM

Sale No. 01-217

TO WHOM IT MAY CONCERN: This Notice is given with regard to the following described Deed of Trust:

**OXFORD DEVELOPMENT, L.L.C., an Arizona
Limited Liability Company**

**Original Grantor
Original Beneficiary**

FIRSTIER BANK

COMPASS BANK, successor in interest to

FIRSTIER BANK

Current Owner of Evidence of Debt

DECEMBER 17, 1999

Date of Deed of Trust

DECEMBER 21, 1999

Recording Date of Deed of Trust

WELD

County of Recording

2739748

Reception No. of Recorded Deed of Trust

This is to advise you that a foreclosure proceeding was commenced in the office of the undersigned Public Trustee on June 1 2001. The real property situate in the County of Weld; State of Colorado, which is all of the property encumbered by said Deed of Trust, is described as follows:

SEE LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A"

Together with all appurtenances, fixtures, rents, issues, and profits, water, ditch and reservoir rights, however evidenced, appertaining thereto or used in connection therewith.

THE DEED OF TRUST BEING FORECLOSED MAY NOT BE A FIRST LIEN

YOU MAY HAVE AN INTEREST IN THE REAL PROPERTY BEING FORECLOSED, OR HAVE CERTAIN RIGHTS OR SUFFER CERTAIN LIABILITIES PURSUANT TO COLORADO STATUTES AS A RESULT OF SAID FORECLOSURE. YOU MAY HAVE THE RIGHT TO REDEEM SAID REAL PROPERTY OR YOU MAY HAVE THE RIGHT TO CURE A DEFAULT UNDER THE TERMS OF THE DEED OF TRUST BEING FORECLOSED. A COPY OF SAID STATUTES, AS SUCH STATUTES ARE PRESENTLY CONSTITUTED, WHICH MAY AFFECT YOUR RIGHTS, IS ATTACHED TO THIS NOTICE. HOWEVER, YOUR RIGHTS MAY BE DETERMINED BY PREVIOUS STATUTES.

DATED at Greeley, Colorado, this 1st day of June 2001.

MARY HERGERT, PUBLIC TRUSTEE OF THE
COUNTY OF WELD, STATE OF COLORADO

Sale Date:

July 25, 2001

By:

Mary Hergert
Deputy Public Trustee

BROWN, BERARDINI & DUNNING, P.C.

Douglas W. Brown
Douglas W. Brown, Reg. No. 10429
Agent and Attorney in Fact for Compass Bank,
successor in interest to Firstier Bank
1020 Ptarmigan Place
3773 Cherry Creek Drive North
Denver, Colorado 80209
Telephone: (303) 329-3363

SPYGLASS ENTERPRISES

Oxford Development, LLC
c/o Mr. Ted Decker
5249 North Agobe Circle
Tucson, Arizona 85715

August 9, 1995

Dear Ted,

Please use this letter as our notice of commitment and intent to enter into an agreement with Oxford Development, LLC, to develop a 104 acre parcel of land located in Weld County, in the town of Dacono, Colorado.

Spyglass Enterprises, LLC agrees to advance to Oxford Development, LLC the sum of \$1,200,000 for land development costs associated with the improvement of the above referenced property, currently being marketed as Home Factory Stores.

The broad terms of the loan/investment as I understand them to be are as follows:

1. The full amount of the loan/investment (\$1,200,000), is to be paid to Oxford Development, LLC no later than October 3, 1995.
2. The loan/investment shall be fully-secured by the 104 acre parcel. The property currently has an MAI appraisal; as is value; of \$1,200,000. Spyglass Enterprises, LLC; and its investors; shall be placed in first position on the Deeds of Trust for the property securing their interest in the investment.
3. Spyglass Enterprises, LLC shall be paid an annual loan fee reflecting an amount equal to 6% of the total amount of the original loan/investment. As a condition to the payment of this loan fee, Oxford Development, LLC, shall not be required to place the loan amount in a separate escrow account. However, Oxford Development, LLC shall be required to provide Spyglass Enterprises, LLC with a detailed budget of the anticipated development costs for the project. It is further agreed that monthly development costs status reports shall also be sent to Spyglass Enterprises, LLC for review and substantiation of all expenditures.
4. Spyglass Enterprises, LLC investors shall receive a 12% preferred rate of return on the principal balance of the loan/investment amount.
5. The loan/investment amount shall be equal to a fifty per cent equity position on all net profits from the sale of land parcels

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associated with the development of the 104 acre property.

Ted, I would greatly appreciate a letter of confirmation on the items outlined herein as soon as possible, Actual agreements and any assorted details can be worked out at a later date.

Let me say on behalf of our group we are very excited about the potential of the Dacono Factory Stores development. I look forward to hearing from you soon.

Sincerely,



Skip Davis
Managing Partner
Spyglass Enterprises, LLC

SD/Lr

Faxed 8/9/95 with original to follow by mail