

**Warren Brown**  
District Commissioner 1

**Ronnie Maez**  
District Commissioner 2

**Alvin Schaaf**  
District Commissioner 3

398 Lewis Street  
P.O. Box 1507  
Pagosa Springs CO 81147

Dear Commissioners:

The purpose of this correspondence is to update and clarify my offer related to the Archuleta Court House Building and Jail (hereinafter, "the Buildings")

Our proposal is that we pay \$350,000 cash for the Buildings with an expedited closing schedule (2 weeks). The County would be allowed to continue to occupy the space on a "rent free" basis until renovations are commenced. In addition to the cash payment stated above, I will reimburse the County for fees paid to Brad Ash for detailed and structural drawings related to the Buildings in an amount not to exceed \$100,000.

As a part of this transaction, I propose to give to the County a 10% undivided ownership interest in the airport property, which is approximately 40 acres and is valued at \$40,000/acre. The value of this portion of the transaction will therefore be \$160,000.

In addition, I propose to purchase the +/-6 acre tract located off Cloman Road for a purchase price of \$180,000. I already have deeded access to this property to create access to the Dutton Creek Ranch.

The following is a summary of the terms outlined above:

Courthouse and Jail Payment	\$350,000
Fee Reimbursements to Brad Ash	\$100,000
Free Rent	\$ 80,000
Airport Property	\$160,000
Land Purchase	<u>\$180,000</u>
Total Transaction Value	<u>\$870,000</u>

Thank you for your interest and I look forward to finalizing this deal.

Very Truly Yours

Ronnie Urbanczyk