

**ANNEXATION IMPACT REPORT
SILVER RIDGE TOWNHOMES**

The Town of Granby has received an annexation petition from Silver Ridge Rocky Mountain, LLC., a Colorado limited liability company ("Silver Ridge") for annexation of approximately 30.94 +/- acres of land thereon described generally as:

Silver Ridge Townhomes, according to the Plat thereof filed January 2, 2001, at Reception No. 2001-000027, (the "Property").

Silver Ridge has also submitted an application to zone the Property Residential/Business (R/B). The Property has been identified as an urban growth area in the Grand County Master Plan.

Following are the items required to be included in an Annexation Impact Report as provided in Section 31-12-108.5, C.R.S.

1. Map of the Granby area showing

1.1 The present and proposed boundaries of the Town of Granby in the vicinity of the Property. See Exhibit A, attached hereto, showing the present Town boundaries and the boundaries of the Property proposed to be included within the Town boundaries.

1.2 The present streets, major trunk water mains, sewer interceptors and outfalls, other utility lines and ditches will not be altered in any manner, they were constructed with a development such as this in mind. Accordingly no extension of the streets and utility lines in the vicinity of the Property are proposed. Internal streets and utility lines will have to be constructed when the Property is built out.

1.3 The existing land use pattern consists of vacant land final platted by Grand County as a townhome development. In the future, the land will be developed as townhomes whether or not annexed. No change in this use pattern is anticipated at this time.

2. Annexation Agreement. A copy of the proposed Annexation and Development Agreement that is being negotiated between the Town and Silver Ridge is attached hereto and incorporated herein by reference

3. Extension or provision of municipal services by the Town.

Other than general government, planning and building regulation type services, the only service currently planned to be provided by the Town for the Property is law enforcement protection. The Town contracts with the Grand County Sheriff for police services within the Town. Water and sewer service are provided by and through Silver Creek Water and Sanitation District and will continue to be so provided, unless the Town excludes the Property from the District. Roadway maintenance and repair will be provided by a homeowners' association. Fire protection is provided by an existing fire district and will continue to be so provided following annexation. No municipal services will be extended into the Property that will necessitate financing.

4. The existing districts within the area to be annexed include:

- Colorado River Water Conservancy District
- East Grand School District No. 2
- Grand Fire Protection District No. 2
- Grand County Library District
- Middle Park Soil Conservation District
- Middle Park Water Conservancy District
- SilverCreek Water and Sanitation District
- SolVista Metropolitan District

5. Effect on public school system. None. School fees have already been paid for all proposed units when the land was platted by Grand County. Most units of this type are likely to be "second homes" so the school district ends up with a bit of a windfall when it is paid fees for all units as if they were going to occupied full time by families with school age children who will attend school in the district.