

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS AGREEMENT (“Assignment”) dated as of November 8, 2004, is made and entered into by and among BASECAMP CLEAR CREEK, LLC, a Colorado limited liability company (the “Assignor”), MILLSTONE DEVELOPMENT, LLC, a Colorado limited liability company (the “Assignee”) and the GOLDEN URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the “Authority”).

Recitals

A. The Assignor, the Authority, and other parties are parties to that certain Third Amended and Restated Disposition and Development Agreement dated as of December 10, 2002, as amended by Amendment No. 1 dated as of April 9, 2003, Amendment No. 2 dated as of May 15, 2003, Amendment No. 3 dated as of June 30, 2003, Amendment No. 4 dated as of July 12, 2004 (collectively, the “DDA”), related to the redevelopment of the Mitchell School property in the area covered by the Golden Downtown Redevelopment Plan.

B. The Assignor desires to assign and transfer its interest in the following described portion of the Property described in the DDA to the Assignee: Lots 3, 4 and 5, Clear Creek Square, Filing No. 3, according to the recorded plat thereof, County of Jefferson, State of Colorado (the “Residential Lots”). The Authority is willing to approve such assignment and transfer upon the terms and conditions set forth herein.

Agreement

In consideration of the mutual covenants of the parties and other good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

1. Assignment; Assumption of Obligations. The Assignor hereby assigns all of its right, title and interest in and to the Residential Lots and the DDA as it applies to the Residential Lots to the Assignee, and Assignee accepts and assumes all of the obligations and duties of the Assignor as Developer under the DDA as such obligations and duties apply to the Residential Lots.

2. Approval of Assignment; Release of Assignor. The Authority consents and agrees to the assignment set forth herein under the terms and conditions set forth in this Assignment. Upon satisfaction or waiver of the Conditions Precedent set forth in Section 3 of this Assignment, the Assignor shall be released from all further duties and obligations of the Developer under the DDA with respect to the Residential Lots. Assignee shall be deemed to be substituted as the Developer in accordance with the requirements of the DDA as modified by this Assignment with respect to the Residential Lots.

3. Conditions Precedent Applicable to Assignment. This Assignment is subject to the following conditions precedent, which shall be satisfied on or before December 15, 2004 (the “Effective

Date”): the Assignee shall provide to the Authority and the Authority shall have approved the following documents with respect to construction of the residential condominium buildings and amenities required to be constructed on the Residential Lots pursuant to the DDA: (a) a detailed site plan and preliminary design plans and specifications; (b) a budget, sales and marketing plan; (c) a complete pro forma financial and cash flow statement (in form and substance acceptable to the Authority) showing all of Assignee’s projected hard and soft costs as well as projected project income; (d) a detailed description of the proposed construction financing, including all material terms related to such financing and the source and availability of any required equity contribution; and (e) the terms and conditions in connection with the assignment described herein, including, without limitation, any and all direct or indirect compensation, payments or assumption of liability that benefits Assignor or any of its members in connection with the assignment. Pursuant to the requirements of applicable law, the Authority agrees not to disclose any confidential information submitted by the Assignor or the Assignee. If the foregoing conditions are not satisfied by the Effective Date, this Assignment shall be null and void.

4. Covenants Applicable to Assignment. The parties to this Assignment covenant and agree as follows:

a. The Assignee shall apply for and diligently pursue any necessary mortgage and equity financing required to carry out its obligations under the DDA and this Assignment.

b. Exhibit A contains information regarding the Assignee, its members and the Assignee’s consultants and advisors. The Assignee will promptly notify the Authority of any and all changes in the ownership interests, legal or beneficial, in the Assignee or of any change in the majority control of such interests and in all changes and additions to the information provided in Exhibit A.

c. The Assignee knows of no circumstance, fact, action, suit, proceeding or investigation that is threatened or pending against the Assignee or its principals that has not been disclosed to the Authority that materially impairs the ability of the Assignee to perform its obligations under the Assignment or the DDA. The discovery of any such information or the filing or service of any such suit shall be disclosed immediately to the Authority by the Assignee.

d. The Assignee has the necessary financial and legal ability to perform the DDA and the other agreements incidental to such performance as contemplated by the DDA and this Assignment with respect to the Residential Lots.

e. Each of the persons executing this Assignment on behalf of the respective parties hereto, hereby covenants and warrants on his or her behalf and on behalf of such party that he or she has the power and authority to bind such party to all of the terms and conditions of this Assignment.

f. Each of the persons executing this Assignment on behalf of the Assignor and Assignee hereby covenants and warrants that, except for recovery of actual out-of-pocket expenses and return of a portion of capital contributed to the Assignor by its members, neither the Assignor nor

the Assignee nor any member thereof, has received or will receive, prior to delivery of a Certificate of Completion for all of the residential improvements to be constructed on the Residential Lots, any material or tangible benefit whatsoever in connection with this Assignment. In accordance with Section 12.1.a of the DDA, the parties recognize and agree that because of the substantial and material benefits provided by the Authority and the City, neither the Assignor nor the Assignee nor any member thereof may receive any consideration beyond recovery of actual out-of-pocket expenses and return of capital previously contributed as a result of any sale or transfer of the DDA or any of the Property described therein prior to issuance of a Certificate of Completion related to the portion of the Property or the interest transferred. The approval granted herein relates to the transfer described in this Assignment only. This Assignment and any new or subsequent transfer or assignment shall be subject to the requirements of Section 12 of the DDA.

5. Effect of Assignment. Except as modified by the terms of this Assignment, all of the provisions of the DDA, as amended to date, shall remain unchanged and in full force and effect, and the DDA and this Assignment shall be construed together as a single document under the laws of the State of Colorado. Unless otherwise stated herein, all capitalized terms in this Assignment shall have the same meaning as set forth in the DDA.

IN WITNESS WHEREOF, the Assignor, Assignee and the Authority have caused this Assignment to be duly executed as of the day first above written.

ASSIGNOR:

AUTHORITY:

BASECAMP CLEAR CREEK, LLC
a Colorado limited liability company

GOLDEN URBAN RENEWAL AUTHORITY
a Colorado urban renewal authority

By: _____
Gary P. McDaniel, Manager

By: _____
Roya Stanley, Chair

ASSIGNEE:

MILLSTONE DEVELOPMENT, LLC
a Colorado limited liability company

By: _____
Ed Garneau, Manager

EXHIBIT A

Assignee's Information Statement

1. Name, address, telephone and facsimile number of Assignee:

Millstone Development, LLC
140 East 19th Avenue, Suite 500
Denver, CO 80203
Telephone: 303-861-7970
Facsimile: 303-861-7979

2. Federal Identification Number of Developer:

3. Name, address, title and telephone number of all managers and members of the Assignee, and their proposed percentage of ownership interest in the Assignee:

4. Name, address and telephone number of principal members of Assignee's team of consultants and advisors (attorneys, architects, contractors, accountants, etc.):

Attorneys:

Architects:

Contractors:

Accountants:

Other:

