



TABLE SETTING
TOWN OF GRANBY

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MEMO

To: Grand Elk Ranch General Improvement District Board
FROM: Sharon Spurlin, Finance Director *Sharon*
DATE: April 27, 2021

SUBJECT: REVIEW AND COMMENTS REGARDING UPDATED PROPOSALS APRIL 27

I have been requested to express a financial opinion on the updated proposals attached.

Both companies have increased their bids to \$85,000. Gearhart Moore Holdings LLC has done previous work in Grand County. Augusta Capital LLC has not but is a reputable developer.

The difference in the bids is minimal. I would like to note that Augusta Capital, LLC is developing one lot to start but will then do another 15 in the first year, 35 within 2 years, and the balance in 36 months. In contrast, Gearhart Moore Holdings, LLC will develop 180 and 261 to start and then all other lots over 36 months.

Gearhart's deposit of \$6,000 is non refundable in 60 days whereas Augusta is \$5,000 non refundable period. Augusta has additional due diligence extensions if needed whereas Gearhart is just 60 days. Gearhart did not provide a response time. Augusta is by April 30th. The lack of infrastructure obviously complicates this deal.

There were several other items in the proposals. Based on the time difference for total lot buildout, I would recommend Augusta. If the closing could be scheduled prior to June 30th so that the GID could pay all the taxes avoiding Treasurer deeds and insuring the GID does have free and clear transferable lots, this looks like an acceptable proposal.

The money for the taxes, needs to come from the first sale. Krob Law will need to review contracts depending on the Board's direction.

	Gearhart Moore Holdings, LLC	Augusta Capital, LLC
Total Payment	Up to \$85,000	\$85,000
Schedule	180 & 261 at first; all other lots in 36 months	1 lot at first, 15 in 12 months, 35 in 24 months, Rest in 36 months
Legal Costs	Yes	None Listed, stated they would
Deposit	\$6,000; non-refundable after 60 Days	\$5,000 non-refundable
Closing/Title Costs	Yes	Yes
Due Dilligence	60 Days	60 days, 2 60 day extensions at \$5,000 each if needed
Response Time	None Listed	30-Apr