

**CASTLE HIGHLANDS FILING NO. 1
RESTATED AND AMENDED
SUBDIVISION IMPROVEMENTS AGREEMENT**

DC00068249

DATE: September 20, 2000

PARTIES: **TOWN OF CASTLE ROCK**, a Colorado municipal corporation ("Town"), 680 N. Wilcox Street, Castle Rock, Colorado 80104. 22P
1105

CASTLE ROCK EQUITIES, L.L.C., a Colorado limited liability company ("Subdivider"), 288 Clayton Street, Suite 301, Denver, Colorado 80206.

RECITALS:

A. Subdivider has previously obtained Town approval for the final subdivision plat for Castle Highlands Filing No. 1, recorded on March 26, 1996 at Reception No. 961293 of the Douglas County public records (the "Subdivision"), and the parties have entered into a Subdivision Improvements Agreement dated March 14, 1996, recorded March 26, 1996 at Reception No. 9615294, as amended by Amendment to Castle Highlands Filing No. 1 Subdivision Improvements Agreement dated May 8, 1997, recorded October 1, 1997 at Reception No. 97754693 and Second Amendment to Castle Highlands Filing No. 1 Subdivision Improvements Agreement dated October 22, 1998, recorded December 11, 1998 at Reception No. 98102512 of the Douglas County public records (as amended, the "SIA").

B. Subdivider desires to now commence development of the Subdivision and the parties have identified the need to amend and restate the SIA to reflect their current agreements, and to comply with current Town policy.

C. This Agreement is intended to protect the Town from any liability or cost which may result from the failure of Subdivider to complete construction of such public improvements to Town standards. This Agreement is not made for the benefit of any other party and no representation is made by Town to any owner of a lot or tract within the Subdivision that all the necessary Subdivision infrastructure will be completed by the Town in the event of a default by Subdivider.

COVENANTS:

NOW, THEREFORE, in consideration of these mutual promises, the parties agree and covenant as follows:

Section 1. Definitions. The following words when capitalized in the text shall have the meanings indicated:

Agreement: this Castle Highlands Filing No. 1 Restated and Amended Subdivision

Improvement Agreement.

Castle Highlands PD: the property subject to the Development Agreement and the Preliminary Plat.

Code: the Castle Rock Municipal Code, as amended.

Development Agreement: the Annexation and Development Contract between the Town and Resource Exploration and Mining, Inc. (Castle Highlands Annexation) recorded on December 12, 1984 at Reception No. 342930, beginning in Book 553 at Page 332 of the Records.

Director: the Town's Director of Public Works, or his designee.

Filing 2: the remaining property subject to the Preliminary Plat (excluding the Subdivision), which is pending Town approval as Castle Highlands Filing No. 2, the legal description of which is attached as *Exhibit 4*.

Final Plat: the final subdivision plat for the Subdivision as approved by the Town.

Final Site Plan: the final pd site plan for the Subdivision as approved by the Town.

Improvements: the water, wastewater, stormwater drainage, transportation, park and recreation, landscaping or other systems or infrastructure required to serve the Subdivision as identified and described in the Plans (whether on-site or off-site), which upon their completion are to be dedicated to the Town for operation and maintenance by the Town, but excluding the Wolf Rd Work.

Landscaping: the Landscaping required and/or prescribed under the Final Site Plan or applicable subdivision and zoning regulations.

Plans: the description of the Improvements on the Preliminary Plat and related documents as modified and supplemented by approved construction plans and drawings, together with the Landscaping Plan approved with the Final Site Plan.

Plat: the final Subdivision plat recorded on March 26, 1996 at Reception No. 961293 of the Records.

Preliminary Plat: the Castle Highlands preliminary subdivision plat approved by the Town Council.

Records: the public records of Douglas County, Colorado maintained by the Clerk and Recorder.

Subdivision: Castle Highlands Filing No. 1, as further defined above.

Town Regulations: the Code and the Public Works Regulations, as the same may be amended from time to time.

Wolf Rd Work: the improvements to Wolfensberger Road described in the Plans.

Certain other terms are defined elsewhere in this Agreement. Section references are to the numbered sections of this Agreement.

Section 2. Construction of Improvements. The Improvements shall be constructed in strict accordance with the Plans, or to the extent not otherwise provided in the Plans, in accordance with applicable Town Regulations. As part of the Improvements, secondary access shall be established as designated in the Plans.

In the event the Subdivider has not obtained all necessary Town permits and approvals and commenced construction of one or more of the Improvements within one year of the date of recordation of this Agreement, the Town's approval of the Subdivision shall lapse. As a condition to commencement of construction of any of the Improvements thereafter, Subdivider shall demonstrate to the Town Council good cause for the delay and its good faith intention and financial ability to proceed and complete development of the Subdivision.

Improvements must be completed not later than one year after the date of issuance of the first public works permit, provided that the completion date may be extended by the Director for up to 6 months if justified due to adverse weather, material unavailability, or other unanticipated and unavoidable circumstances beyond the control of Subdivider, as determined by the Director.

Section 3. Acceptance of Improvements. Upon substantial completion of the Improvements, Subdivider may request inspection. Town shall make inspection within five (5) working days of the date Subdivider requests final inspection, and Town shall notify Subdivider of non-conforming work within five (5) working days after the inspection is made. Subdivider shall have 30 days from the date of receipt of Town's inspection report to remedy the non-conforming work unless the remedial work is delayed due to weather conditions, in which event the work shall be completed as soon as reasonably feasible thereafter.

With cure of non-conforming work, receipt of as-built plans and initial acceptance of the Improvements by Town, Subdivider shall promptly convey its interest in the Improvements by document in the form attached as *Exhibit 1*. With conveyance of the Improvements, the applicable warranty period commences.

Section 4. Restrictions Pending Completion of Improvements. No building permits shall be issued by Town within the Subdivision until the Improvements are substantially completed, except when authorized by the Director, as further provided in this section. Substantial completion occurs when the Improvement is functional and operable in all material respects, although not completed to the standard required for formal acceptance by the Town for operation and maintenance. No certificates of occupancy shall be issued for structures within the Subdivision unless the Improvements have been accepted by the Town as provided in section 3.

The Director may authorize issuance of one or more designated building permits prior to substantial completion, if such earlier construction does not create any undue public safety concerns. In such event, the Director may impose the condition that all work must cease under such building permit if the Improvements are not substantially completed by the date specified in the permit. Unless the underlying Security is a cash escrow, or letter of credit, Subdivider shall establish a cash escrow in the amount of 115% of the estimated cost of completion of the Improvements, which escrow shall be supplemental to the underlying Security. In no event shall the Director authorize the issuance of a building permit unless there is adequate emergency access to the site and the water system is completed sufficiently to provide adequate fire flows for fire protection.

Section 5. Improvements Security. In accordance with Town Regulations, Subdivider shall provide Town with a letter of credit, cash escrow deposit or performance bond approved by the Town Attorney in the amount of 115% of the estimated construction cost of the Improvements (the "Security"). The Security shall be delivered to Town prior to and as a condition of the issuance of the first public works permit. The estimated construction cost for the Auburn Drive portion of the Improvements has been approved by the Town and is attached as *Exhibit 2*. The Security for such Auburn Drive Improvements shall be \$626,208.68 (115% of \$544,529.29). The required Security for the balance of the Improvements shall be determined based on the construction cost estimate to be submitted by Subdivider's engineer and approved by the Public Works Director.

The purpose of the Security is to provide Town with the financial resources to mitigate any public health and safety hazards and/or regrade and revegetate the Property and/or complete construction or installation of any of the Improvements, should Subdivider default in its obligation to complete the Improvements (the "Remedial Work"). The Town retains the absolute discretion to determine what Remedial Work, if any, is undertaken by Town on the Improvements, in the event of such default. Any portion of the Security not utilized in the Remedial Work shall be returned to the obligor on the Security.

With Town's initial acceptance of the Improvements, the Security shall be reduced to 15% of the actual construction cost of the Improvements which shall constitute the warranty portion of the Security in accordance with Town Regulations. This warranty portion of the Security shall be released as authorized in the Town Regulations.

Section 6. Landscaping. Subdivider shall make best efforts to complete all Landscaping in conjunction with completion of the Improvements as provided in section 2. Inspection of Landscaping by the Town shall be made in the same manner as prescribed for Improvements under section 3. With Town's acceptance of the Landscaping concurrently with the Improvements, the Security pertaining to the Landscaping shall be reduced to the warranty portion of the Security or 15% of the actual cost of the Landscaping. In such event, the warranty Security pertaining to the Landscaping shall be released in accordance with Town Regulations.

In the event that at the time the Town accepts the Improvements the Landscaping is not sufficiently completed to allow the Town's acceptance, the following provisions shall apply:

- (a) Subdivider shall make a cash deposit to the Town in the amount of 115% of the estimated completion cost of the Landscaping to be held by Town as security for completion of the Landscaping (the "Landscape Deposit");
- (b) the amount of the Landscape Deposit shall be determined by the Town after review of the cost estimate of completion furnished by the Subdivider's landscape architect or contractor;
- (c) the Landscape Deposit must be made prior to and as a condition of the issuance of the first certificate of occupancy;
- (d) upon receipt of the Landscape Deposit the Town will release that portion of the Security applicable to the Landscaping.
- (e) the Landscape Deposit shall not accrue interest;
- (f) Subdivider shall have 180 days from the date the Landscape Deposit is deposited with the Town to complete the Landscaping;
- (g) within 10 days of completion of the Landscaping and acceptance by the Town, Town shall return to Subdivider the Landscape Deposit, less a 15% warranty hold-back and the applicable warranty on the Landscaping shall commence;
- (h) if at the end of such 180 day period the Landscaping has not been completed and accepted by Town, Town may use the Landscape Deposit to the extent necessary to complete the Landscaping, provided Town will not be obligated to spend any Town funds to complete the Landscaping in the event the Landscape Deposit is insufficient to fund completion;
- (i) Town shall promptly return to Subdivider any portion of the Landscape Deposit which remains after the Town has completed the Landscaping, less a 15% hold-back for the warranty period;
- (j) the Landscape Deposit held for the warranty shall promptly be released to Subdivider upon expiration of the Landscaping warranty and Town's final acceptance of the Landscaping.

Section 7. Water Supply. The Property is subject to the Castle Highlands Water Rights Dedication Agreement dated April 13, 1995, recorded at Reception no. 9527711 in the public records of Douglas County, Colorado (the "Water Agreement"). 47 SFE of the "Water Credit" under the Water Agreement have been applied to meet the water supply requirements for the Subdivision, (the "Subdivision Water Credit"). Town shall not require additional water rights or water resources as a condition to issuance of land use approvals within the Subdivision, so long as the aggregate water demand from development does not exceed the Subdivision Water Credit. To the extent that the water demand created by development on the Property (computed in accordance with the Water Agreement),

exceeds the Subdivision Water Credit, additional entitlements under the Water Agreement must be allocated to the Property and/or Subdivider must provide additional water resources in accordance with chapter 4.04 of the Castle Rock Municipal Code, sufficient to meet the demand in excess of the initial Subdivision Water Credit. Absent compliance with this section, Town may withhold development approvals on the Property for any proposed use, which, after taking into account all previous development within the Subdivision, will create an aggregate water demand in excess of the Subdivision Water Credit (as the same may be subsequently increased in accordance with this section). Should the Subdivision Water Credit not be fully utilized after full development of the Subdivision, the remaining SFE shall revert to the Castle Highlands Water Bank (as that term is defined in the Water Agreement.)

Section 8. Transportation Improvements. In lieu of the Subdivision participating in a special assessment district as contemplated by 20.2 of the Development Agreement, the Subdivider shall fund the Wolf Rd Work as provided in this Section. The Town intends to undertake the Wolf Rd Work in conjunction with other improvements to Wolfensberger Road which are related to the Filing 2 development. Concurrently with issuance of the first public works permit for the Improvements, Subdivider shall pay into an escrow account the sum of \$84,876.59 (the "Escrow Funds") for the benefit of the Town, which amount represents the estimated cost of construction the Wolf Rd Work, based upon the engineer's construction cost estimate obtained by the Subdivider and approved by the Town, attached as *Exhibit 3*. The escrow account shall be maintained at an institution designated by the Town. The Escrow Funds (together with all accrued interest) shall be disbursed to the Town concurrently with the Town's approval of the construction contract for the Wolf Rd Work, or September 2002, whichever date occurs first. With the deposit of the Escrow Funds, Subdivider is released of any and all obligations to construct or fund improvements to Wolf Rd under the Development Agreement or Town Regulations. The amount of the Escrow Funds reflects the fact that the design of the Wolf Rd Work will be completed by Subdivider's engineer at Subdivider's expense.

Concurrently with recordation of this Agreement, Subdivider shall pay to Town \$30,000 representing the proportionate share of the cost of the eventual signalization of the Wolf Rd/Auburn Drive/Red Hawk Drive intersection attributable to the Castle Highlands PD (i.e. the Subdivision and Filing 2). By separate agreement, Subdivider has allocated this exaction between the Subdivision and Filing 2. Town shall determine when the intersection is signalized, based on traffic warrants. With such \$30,000 payment, Subdivider is released of any and all obligations to construct or fund the signalization of the Wolf Rd/Auburn Drive/Red Hawk Drive intersection or any other intersection within the Town.

Section 9. Oversizing. At any time before approval of final utility construction plans, but not thereafter, Town may request that Subdivider oversize certain water transmission mains from 12-inches to 15-inches and certain wastewater mains from 12-inches to 15-inches to serve other properties outside the Subdivision. If such oversizing is completed by Subdivider, Town shall reimburse Owner in an amount equal to the difference in the bid price between the smaller and larger line(s) at the time of acceptance by Town for maintenance of these improvements.

Section 10. No Other Obligations. All land dedications and/or cash-in-lieu payments for land dedication required in connection with the development of the Subdivision, have been made. All

public improvements required for the development of the Subdivision, excluding the Improvements and the Wolf Rd Work have been fully completed, or will be completed by the Town or third parties. Except as provided in section 8 and the obligation to pay the transportation fee imposed through the Town Regulations, the Subdivision shall have no obligation to construct or finance the construction of offsite transportation improvements of any nature.

Section 11. Default. The following occurrences constitute a default of this Agreement:

- (a) failure to commence or complete construction of the Improvements within the time periods prescribed in this Agreement;
- (b) failure to cure the defective construction or installation of any Improvement within the applicable cure period;
- (c) failure to perform work on the Improvements required by this Agreement within the Subdivision for a period of more than 90 consecutive days except when such delay is due to adverse weather, material unavailability, or other circumstances beyond the control of Subdivider;
- (d) Subdivider's insolvency, the appointment of a receiver for the Subdivider or the filing of a voluntary or involuntary petition in bankruptcy respecting the Subdivider; or
- (e) Subdivider has breached, or caused a breach of any other provision of this Agreement.

As a condition to Town's right to exercise its remedies for default, Town shall give written notice to Subdivider of the occurrence of an event of default. Subdivider shall have 30 calendar days from the receipt of such notice to cure the default, unless such cure is necessarily delayed to adverse weather conditions in which event the cure period shall be extended by a number of days equal to the number of days of the unavoidable delay. If timely cure of the noticed default(s) is not accomplished, Town shall thereafter be entitled to pursue its remedies against Subdivider.

Section 12. Town's Rights Upon Default. When any event of default occurs and has not been timely cured, the Town may:

- (a) if the applicable Improvements have not been timely completed, call the Security in accordance with its terms, and apply the Security for the Remedial Work. Subdivider grants to Town and, if applicable, the surety, and their employees, agents and contractors, a non-exclusive right and easement to enter onto the Subdivision after an uncured default for the purpose of undertaking the Remedial Work;
- (b) if Improvements have not been timely completed, withhold issuance of building permits;
- (c) record a notice of non-compliance with this Agreement in the public records to provide record notice of the default, which notice shall promptly be released by Town upon cure

of the default; and

- (d) bring suit against the defaulting party for money damages and/or equitable relief for breach of the Agreement.

Section 13. Indemnification. Subdivider indemnifies and holds the Town harmless from and against all claims, costs and liability of every kind and nature, for injury or damage received or sustained by any person or entity in connection with, or on account of the construction or repair of the Improvements by Subdivider; provided, however, such indemnity shall only extend to claims for injury or damage occurring prior to the date of final acceptance of the Improvements by the Town.

Section 14. No Waiver. No waiver of any provision of this Agreement will be deemed or constitute a waiver of any other provision, nor will it be deemed or constitute a continuing waiver unless expressly provided for by a written amendment to this Agreement signed by both Town and Subdivider, nor will the waiver of any default under this Agreement be deemed a waiver of any subsequent default or defaults of the same type. The Town's failure to exercise any right under this Agreement will not constitute the approval of any wrongful act by the Subdivider or the acceptance of any Improvement.

Section 15. Attorney's Fees. Should either party be required to resort to litigation to enforce the terms of this Agreement, the prevailing party, plaintiff or defendant, will be entitled to costs, including reasonable attorney's fees and expert witness fees, from the opposing party. If the court awards relief to both parties, each will bear its own costs in their entirety.

Section 16. Notice. Any notice required or permitted by this Agreement will be deemed effective when personally delivered in writing or by facsimile, or three (3) days after notice is deposited with the U.S. Postal Service, postage prepaid, certified, and return receipt requested, and addressed as follows:

if to Subdivider: Castle Rock Equities, L.L.C.
 6950 E. Belleview Avenue, Suite 301
 Englewood, CO 80111

if to Town: Town of Castle Rock
 Attn: Town Attorney
 100. Wilcox Street
 Castle Rock, CO 80104

Section 17. Prior Agreement. This Agreement amends, restates and supersedes in all respects the SIA and 20.2 of the Development Agreement.

Section 18. Recordation and Binding Effect. This Agreement shall be recorded with the Clerk and Recorder's Office of Douglas County, Colorado and shall be binding upon the assigns, successors, and grantees of Subdivider in the same manner as if such third parties were signatories to this Agreement.

SUBDIVIDER:

**CASTLE ROCK EQUITIES, L.L.C., a
Colorado limited liability company.**

By: Sam N. Perry

Its: Manager

STATE OF COLORADO)

COUNTY OF Denver) **ss.**

The foregoing instrument was acknowledged before me this 22nd day of Sept, 2000, by Sam N. Perry as Manager for Castle Rock Equities, L.L.C., a Colorado limited liability company.

Witness my official hand and seal.
My Commission expires: _____.

Linda R. Hull
Notary Public

LINDA R. HULL
NOTARY PUBLIC
STATE OF COLORADO

My Commission Expires 2-6-2001

(EXEMPLAR – NOT FOR EXECUTION)

EXHIBIT 1
PUBLIC IMPROVEMENTS CONVEYANCE AND INITIAL ACCEPTANCE

TRANSFEROR: _____

TRANSFeree: Town of Castle Rock, a municipal corporation ("Town")
680 North Wilcox Street
Castle Rock, Colorado 80104

Transferor has caused to be constructed certain public improvements and facilities described in the attached Exhibit A (the "Improvements"), as required by Town to serve Castle Highlands Filing No. 1. Town will assume the obligation for maintenance and operation of the Improvements, located in rights-of-way, easements or other real property owned by Town, upon the conveyance of the Improvements to Town.

THEREFORE, Transferor grants, conveys and transfers to Town all its interest (real or personal) and title to the Improvements subject to the following:

1. Transferor warrants to Town that Transferor has a good title to the Improvements, free and clear of any lien, claim or right of any third party in or to the Improvements, and Transferor will defend Town's title to the Improvements against the claim of any third party.
2. Transferor warrants that the Improvements are located within the easement, right-of-way or other real property interest designated by the Town for siting of the Improvements. Town acknowledges receipt of as-built drawings of the Improvements dated _____.
3. Transferor warrants that, as constructed, all Improvements are in conformance with the current Town of Castle Rock standards and the approved construction plans, and are free from defects in design, material or workmanship. This warranty is for the period prescribed by the Town's Public Works Regulations. acceptance made below.
4. Transferor represents that the approximate amount of direct costs of construction of the Improvements (excluding engineering, financing, insurance, etc.), as determined in accordance with usual and customary construction accounting practices is as follows:

Water _____

Wastewater _____

(EXEMPLAR - NOT FOR EXECUTION)

Stormwater	_____
Streets	_____
Parks and recreation	_____
TOTAL	=====

5. Transferor concurrently submits to Town the surety attached as **Exhibit B** in the amount of 115% of the above total to secure Transferor's warranty obligation on the Improvements.

TRANSFEROR:

By: _____

Its: _____

ACCORDINGLY, Town accepts for ownership and maintenance of the Improvements effective _____, 20__.

TOWN OF CASTLE ROCK

Engineering Division

EXHIBIT 2
INFRASTRUCTURE IMPROVEMENTS
ENGINEERS COST OPINION FOR CASTLE HIGHLANDS FILING No. 1
SHEET 1 OF 5

Since the design professional has no control over the cost of labor, materials, equipment, or over competitive bidding and market conditions, opinions of probable construction cost provided for herein are to be made on the basis of experience and qualifications. These opinions represent the best judgment as a design professional familiar with the construction industry. However, the design professional cannot and does not guarantee that proposals, bids, or the construction cost will not vary from opinions of probable cost. If the owner wishes greater assurance as to the construction cost, the owner shall employ an independent cost estimator.

* Estimated asphalt and base course depth is according to Town of Castle Rock code and may vary according to the recommendations of the Soils Engineer.

Filing No. 1 Improvements

Water System	\$155,776.42
Sanitary Sewer System	\$106,001.61
Storm Sewer System	\$30,164.85
Street Improvements	\$213,582.36
Erosion Control	\$7,430.00
**Colorado APWA Cost Adjustment Factor (.95)	\$17,928.61
Filing No. 1 Subtotal	\$495,026.63
Contingency 10%	\$49,502.66
Filing No. 1 Improvements Total	\$544,529.29

SHEET 2 OF 5

FILING NO. 1

AUBURN DRIVE

I. *WATER FACILITIES*

A.	DESCRIPTION	UNIT	QUANTITY	UNIT COST		AMOUNT
	6" DIP	LF	59	\$15.80	**	\$932.20
	8" DIP	LF	226	\$19.40	**	\$4,384.40
	12" DIP	LF	190	\$30.90	**	\$5,871.00
	16" DIP	LF	70	\$42.40	**	\$2,968.00
	20" DIP	LF	1,534	\$54.00	**	\$82,836.00
	8" Gate Valve	EA	4	\$784.50	**	\$3,138.00
	8" Plug w/ B.O.	EA	4	\$800.00		\$3,200.00
	12" Gate Valve	EA	1	\$1,520.00	**	\$1,520.00
	12" x 6" Tee	EA	1	\$471.50		\$471.50
	12" X 8" Reducer	EA	1	\$250.00		\$250.00
	16" Butterfly Valve	EA	1	\$2,000.00		\$2,000.00
	16" Plug w/ B.O.	EA	4	\$1,328.83		\$5,315.32
	20" Butterfly Valve	EA	7	\$2,600.00		\$18,200.00
	20" x 6" Tee	EA	3	\$1,340.00	**	\$4,020.00
	20" x 8" Tee	EA	3	\$1,350.00	**	\$4,050.00
	20" Bend	EA	2	\$1,110.00	**	\$2,220.00
	20" X 16" Reducer	EA	1	\$300.00		\$300.00
	20" X 12" Cross	EA	1	\$1,540.00	**	\$1,540.00
	Fire Hydrant Assembly	EA	4	\$2,190.00	**	\$8,760.00
	12" Connection	EA	1	\$1,800.00		\$1,800.00
	20" Connection	EA	1	\$2,000.00		\$2,000.00
	WATER TOTAL					\$155,776.42

II. *SANITARY SEWER FACILITIES*

A.	DESCRIPTION	UNIT	QUANTITY	UNIT COST		AMOUNT
	8" PVC	LF	1,656	\$7.45	**	\$12,337.20
	4' Manholes	EA	9	\$1,290.00	**	\$11,610.00
	8" Plug	EA	0	\$800.00		\$0.00
	SANITARY SEWER TOTAL					\$23,947.20

SHEET 3 OF 5

III. *STORM SEWER FACILITIES*

A.	DESCRIPTION	UNIT	QUANTITY	UNIT COST		AMOUNT
	18" RCP	LF	284	\$20.90	**	\$5,935.60
	24" RCP	LF	55	\$30.35	**	\$1,669.25
	5' Type "R" Inlet	EA	4	\$2,700.00		\$10,800.00
	15' Type "R" Inlet	EA	2	\$4,500.00		\$9,000.00
	18" FES	EA	3	\$350.00		\$1,050.00
	24" FES	EA	1	\$420.00		\$420.00
	4' Manhole	EA	1	\$1,290.00	**	\$1,290.00
	STORM SEWER TOTAL					\$30,164.85

IV. *STREETS*

A.	DESCRIPTION	UNIT	QUANTITY	UNIT COST		AMOUNT
	*6" Thick Asphalt (including subgrade prep.)	SY	6,538	\$13.59	**	\$88,851.42
	6" Vertical Curb & Gutter	LF	3,075	\$21.75		\$66,881.25
	6" Vertical Curb & Gutter (1' gutter)		150	\$7.00		\$1,050.00
	HC Ramp At Corners	EA	4	\$750.00		\$3,000.00
	Mid-block HC Ramp	EA	1	\$800.00		\$800.00
	Concrete Pan	SF	900	\$4.00		\$3,600.00
	5' Walk	SF	17,090	\$1.94	**	\$33,154.60
	Street Light	EA	5	\$3,000.00		\$15,000.00
	STREETS TOTAL					\$212,337.27

PUBLIC IMPROVEMENTS SUMMARY

I.	WATER FACILITIES	\$155,776.42
II.	SANITARY SEWER FACILITIES	\$23,947.20
III.	STORM SEWER	\$30,164.85
IV.	STREETS	\$212,337.27
	AUBURN DRIVE TOTAL	\$422,225.74

SHEET 4 OF 5

FILING NO. 1 (SOUTH HALF)

WOLFENSBERGER ROAD

I. *SANITARY SEWER FACILITIES*

A.	DESCRIPTION	UNIT	QUANTITY	UNIT COST	AMOUNT
	Removal of existing asphalt	SY	2,565	\$6.00 **	\$15,389.64
	Sawcut of existing asphalt	LF	2,838	\$2.00 **	\$5,676.00
	*6" Thick Asphalt	SY	2,565	\$13.10 **	\$33,600.71
	*8" Aggregate Base course	SY	1,454	\$5.42 **	\$7,881.66
	8" PVC	LF	1,472	\$7.45 **	\$10,966.40
	4' Manholes	EA	6	\$1,290.00 **	\$7,740.00
	8" Plug	EA	1	\$800.00	\$800.00
	SANITARY SEWER TOTAL				\$82,054.41

II. *TEMPORARY SIGNAGE*

A.	DESCRIPTION	UNIT	QUANTITY	UNIT COST	AMOUNT
	Removal of existing striping	SF	155.00	\$3.00	\$465.00
	Street intersection ahead	EA	1	\$275.00	\$275.00
	35 M.P.H. advisory	EA	1	\$275.00	\$275.00
	Turn Arrow	EA	1	\$104.60 **	\$104.60
	Painted stripes	LF	267	\$0.47 **	\$125.49
	TEMPORARY SIGNAGE TOTAL				\$1,245.09

I. SANITARY SEWER FACILITIES

\$82,054.41

II. TEMPORARY SIGNAGE

\$1,245.09

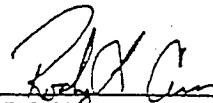
WOLFENSBERGER ROAD TOTAL

\$83,299.50

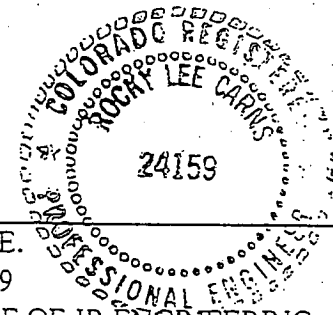
EROSION CONTROL

A.	DESCRIPTION	UNIT	QUANTITY	UNIT COST	AMOUNT
	Vehicle Tracking Control	EA	1	\$450.00	\$450.00
	Rough Cut Street Control	EA	7	\$120.00	\$840.00
	Silt Fence	LF	2,570	\$2.00	\$5,140.00
	Inlet Protection	EA	4	\$250.00	\$1,000.00
				Total	\$7,430.00

I HEREBY AFFIRM THAT THIS COST OPINION WAS PREPARED UNDER MY DIRECT SUPERVISION.



ROCKY L. CARNs, P.E.
COLORADO No. 24159
FOR AND ON BEHALF OF JR ENGINEERING



CASH IN LIEU
ENGINEERS COST OPINION FOR CASTLE HIGHLANDS FILING No. 1

Since the design professional has no control over the cost of labor, materials, equipment, or over competitive bidding and market conditions, opinions of probable construction cost provided for herein are to be made on the basis of experience and qualifications. These opinions represent the best judgment as a design professional familiar with the construction industry. However, the design professional cannot and does not guarantee that proposals, bids, or the construction cost will not vary from opinions of probable cost. If the owner wishes greater assurance as to the construction cost, the owner shall employ an independent cost estimator.

- * Estimated asphalt and base course depth is according to Town of Castle Rock code and may vary according to the recommendations of the Soils Engineer.

Filing No. 1 Cash in Lieu

Street Improvements	\$83,407.97
Signage	\$305.00
Striping	\$591.52
**Colorado APWA Cost Adjustment Factor (.95)	\$3,636.65
Filing No. 1 Cash In Lieu Subtotal	\$80,667.84
Contingency 10%	\$8,066.78
Filing No. 1 Total Cash in Lieu	\$88,734.62

[Exhibit 3 to Castle Highlands Filing No. 1
 Restated and Amended Subdivision Improvements Agreement]

PROPERTY DESCRIPTION

A PART OF THE SOUTH ONE-HALF OF SECTION 3 AND THE NORTH ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SECTION 10, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO.

BASIS OF BEARINGS:

THE SOUTH LINE OF THE NORTH ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SECTION 10, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, BEING MONUMENTED AT THE CENTER NORTH ONE-SIXTEENTH CORNER OF SAID SECTION 10 BY A 3 1/2" ALUMINUM SURVEYOR'S CAP, L.S. 12046 AND AT THE NORTH ONE-SIXTEENTH CORNER OF SECTION 9 AND 10 BY A 3 1/2" ALUMINUM SURVEYOR'S CAP, L.S. 12046, IS CONSIDERED TO BEAR S89°44'08"W WITH ALL BEARINGS HEREIN RELATIVE THERETO.

PARCEL 1

COMMENCING AT THE CENTER NORTH ONE-SIXTEENTH CORNER OF SECTION 10, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN; THENCE S89°44'08"W ALONG THE SOUTH LINE OF THE NORTH ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 10, A DISTANCE OF 1614.82 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING S89°44'08"W ALONG SAID SOUTH LINE A DISTANCE OF 398.80 FEET, TO A POINT ON THE WESTERLY LINE OF CASTLE HIGHLANDS ANNEXATION AS RECORDED UNDER RECEPTION NO. 342923, DOUGLAS COUNTY, COLORADO;

THENCE THE FOLLOWING FOUR (4) COURSES ALONG SAID WESTERLY LINE OF CASTLE HIGHLANDS ANNEXATION;

1. N23°57'41"W, A DISTANCE OF 608.07 FEET;
2. N62°56'41"W, A DISTANCE OF 355.56 FEET;
3. N36°47'28"E, A DISTANCE OF 96.18 FEET;
4. N41°36'17"E, A DISTANCE OF 56.49 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY OF COACHLINE ROAD AS PLATTED IN CASTLE HIGHLANDS FILING NO. 1, RECORDED UNDER RECEPTION NO. 961293, DOUGLAS COUNTY, COLORADO;

THENCE THE FOLLOWING SEVEN (7) COURSES ALONG SAID SOUTHERLY RIGHT-OF-WAY OF COACHLINE ROAD:

1. N86°36'17"E, A DISTANCE OF 48.08 FEET;
2. S48°23'43"E, A DISTANCE OF 104.04 FEET TO A POINT OF CURVE;
3. ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 650.00 FEET, A CENTRAL ANGLE OF 38°18'33" AND AN ARC LENGTH OF 434.61 FEET TO A POINT OF TANGENCY;
4. S86°42'16"E, A DISTANCE OF 107.14 FEET TO A POINT OF CURVE;
5. ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 550.00 FEET, A CENTRAL ANGLE OF 23°50'28" AND AN ARC LENGTH OF 228.86 FEET TO A POINT OF TANGENCY;
6. S62°51'48"E, A DISTANCE OF 116.11 FEET TO A POINT OF CURVE;
7. ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 650.00 FEET, A CENTRAL ANGLE OF 06°04'54" AND AN ARC LENGTH OF 69.00 FEET TO A POINT ON CURVE, BEING THE NORTHWESTERLY CORNER OF TRACT A OF SAID CASTLE HIGHLANDS FILING NO. 1;

THENCE THE FOLLOWING TWO (2) COURSES ALONG THE WESTERLY LINE OF SAID TRACT A;

1. S14°43'44"W, A DISTANCE OF 328.04 FEET;
2. S23°35'46"W, A DISTANCE OF 154.43 FEET TO THE POINT OF BEGINNING.

CONTAINING A CALCULATED AREA OF 412,935 SQUARE FEET OR 9.480 ACRES.

[Exhibit 4 to Castle Highlands Filing No. 1 Restated and Amended Subdivision Improvements Agreement (illustrates the term "Filing 2" in document)]

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PARCEL 2

COMMENCING AT THE CENTER NORTH ONE-SIXTEENTH CORNER OF SECTION 10, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, THENCE N43°37'56"W A DISTANCE OF 329.96 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF AUBURN DRIVE AS PLATTED IN CASTLE HIGHLANDS FILING NO. 1, RECORDED UNDER RECEPTION NO. 961293, DOUGLAS COUNTY, COLORADO, BEING THE POINT OF BEGINNING;

THENCE THE FOLLOWING ELEVEN (11) COURSES ALONG THE NORTHERLY RIGHT-OF-WAY OF COACHLINE ROAD AS PLATTED IN SAID CASTLE HIGHLANDS FILING NO. 1;

1. ALONG THE ARC OF A CURVE TO THE LEFT WHOSE CENTER BEARS S43°59'59"W, HAVING A RADIUS OF 750.00 FEET, A CENTRAL ANGLE OF 06°00'58" AND AN ARC LENGTH OF 78.75 FEET TO A POINT OF TANGENCY;
2. N52°00'59"W A DISTANCE OF 220.34 FEET TO A POINT OF CURVE;
3. ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 650.00 FEET, A CENTRAL ANGLE OF 51°22'41" AND AN ARC LENGTH OF 582.87 FEET TO A POINT OF TANGENCY;
4. S76°36'19"W A DISTANCE OF 100.00 FEET TO A POINT OF CURVE;
5. ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 550.00 FEET, A CENTRAL ANGLE OF 40°31'53" AND AN ARC LENGTH OF 389.07 FEET TO A POINT OF TANGENCY;
6. N82°51'48"W A DISTANCE OF 116.11 FEET TO A POINT OF CURVE;
7. ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 650.00 FEET, A CENTRAL ANGLE OF 23°50'28" AND AN ARC LENGTH OF 270.47 FEET TO A POINT OF TANGENCY;
8. N86°42'16"W A DISTANCE OF 107.14 FEET TO A POINT OF CURVE;
9. ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 550.00 FEET, A CENTRAL ANGLE OF 38°18'33" AND AN ARC LENGTH OF 367.74 FEET TO A POINT OF TANGENCY;
10. N48°23'43"W A DISTANCE OF 104.04 FEET TO A POINT OF CURVE;
11. N03°23'43"W A DISTANCE OF 48.08 FEET TO THE SOUTHEASTERLY RIGHT-OF-WAY OF WOLFENSBERGER ROAD, BEING THE NORTHWESTERLY LINE OF CASTLE HIGHLANDS ANNEXATION AS RECORDED UNDER RECEPTION NO. 342923, DOUGLAS COUNTY, COLORADO;

THENCE THE FOLLOWING NINETEEN (19) COURSES ALONG SAID NORTHWESTERLY LINE OF CASTLE HIGHLANDS ANNEXATION;

1. N41°36'17"E A DISTANCE OF 143.67 FEET;
2. N45°47'36"E A DISTANCE OF 140.94 FEET;
3. N55°40'17"E A DISTANCE OF 232.72 FEET;
4. N57°19'46"E A DISTANCE OF 45.16 FEET;
5. N60°31'55"E A DISTANCE OF 406.98 FEET;
6. N53°12'57"E A DISTANCE OF 229.88 FEET;
7. N52°45'13"E A DISTANCE OF 124.82 FEET;
8. S36°52'41"E A DISTANCE OF 205.21 FEET;
9. N53°07'19"E A DISTANCE OF 396.00 FEET;
10. S36°52'41"E A DISTANCE OF 120.00 FEET;
11. N53°07'19"E A DISTANCE OF 90.00 FEET;
12. N36°52'41"W A DISTANCE OF 340.00 FEET;
13. N53°06'52"E A DISTANCE OF 30.00 FEET;
14. S36°52'41"E A DISTANCE OF 340.00 FEET;
15. N53°07'19"E A DISTANCE OF 440.00 FEET;
16. S37°04'38"E A DISTANCE OF 43.81 FEET;

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17. N89°57'19"E A DISTANCE OF 408.00 FEET;
18. N02°33'19"E A DISTANCE OF 576.10 FEET;
19. N88°59'22"E A DISTANCE OF 517.80 FEET TO THE WESTERLY RIGHT-OF-WAY OF AUBURN DRIVE AS PLATTED IN SAID CASTLE HIGHLANDS FILING NO. 1;

THENCE THE FOLLOWING TWELVE (12) COURSES ALONG SAID WESTERLY RIGHT-OF-WAY;

1. S45°57'50"E A DISTANCE OF 38.92 FEET;
2. S00°24'35"E A DISTANCE OF 72.04 FEET;
3. S11°43'11"E A DISTANCE OF 50.99 FEET;
4. S00°24'35"E A DISTANCE OF 41.10 FEET TO A POINT OF CURVE;
5. ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 370.00 FEET, A CENTRAL ANGLE OF 54°15'37" AND AN ARC LENGTH OF 350.40 FEET TO A POINT OF TANGENCY;
6. S53°51'02"W A DISTANCE OF 335.96 FEET TO A POINT OF CURVE;
7. ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 830.00 FEET, A CENTRAL ANGLE OF 54°22'35" AND AN ARC LENGTH OF 787.71 FEET TO A POINT OF TANGENCY;
8. S00°31'33"E A DISTANCE OF 484.43 FEET TO A POINT OF CURVE;
9. ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 970.00 FEET, A CENTRAL ANGLE OF 03°46'45" AND AN ARC LENGTH OF 63.98 FEET TO A POINT OF TANGENCY;
10. S03°15'12"W A DISTANCE OF 210.49 FEET TO A POINT OF CURVE;
11. ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 370.00 FEET, A CENTRAL ANGLE OF 39°44'31" AND AN ARC LENGTH OF 256.64 FEET TO A POINT ON CURVE;
12. N79°48'53"W A DISTANCE OF 27.68 FEET TO THE POINT OF BEGINNING.

CONTAINING A CALCULATED AREA OF 2,793,066 SQUARE FEET OR 64.120 ACRES.

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PARCEL 3

COMMENCING AT THE CENTER NORTH ONE-SIXTEENTH CORNER OF SECTION 10, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, SAID POINT BEING THE POINT OF BEGINNING;

THENCE S89°44'08"W ALONG THE SOUTH LINE OF THE NORTH ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 10, A DISTANCE OF 61.47 FEET TO THE NORTHEASTERLY RIGHT-OF-WAY OF COACHLINE ROAD AS PLATTED IN CASTLE HIGHLANDS FILING NO. 1, RECORDED UNDER RECEPTION NO. 961293, DOUGLAS COUNTY, COLORADO;

THENCE ALONG SAID NORTHEASTERLY RIGHT-OF-WAY, ALONG THE ARC OF A CURVE TO THE LEFT WHOSE CENTER BEARS S66°23'18"W, HAVING A RADIUS OF 750.00 FEET, A CENTRAL ANGLE OF 14°25'12" AND AN ARC LENGTH OF 188.76 FEET TO A POINT ON CURVE ON THE EASTERLY RIGHT-OF-WAY OF AUBURN DRIVE AS PLATTED IN SAID CASTLE HIGHLANDS FILING NO. 1;

THENCE THE FOLLOWING SIX (6) COURSES ALONG SAID EASTERLY RIGHT-OF-WAY OF AUBURN DRIVE;

1. N10°30'08"W, A DISTANCE OF 25.70 FEET TO A POINT ON CURVE;
2. ALONG THE ARC OF A CURVE TO THE LEFT WHOSE CENTER BEARS N45°50'07"W, HAVING A RADIUS OF 430.00 FEET, A CENTRAL ANGLE OF 40°54'41" AND AN ARC LENGTH OF 307.04 FEET TO A POINT OF TANGENCY;
3. N03°15'12"E, A DISTANCE OF 210.49 FEET TO A POINT OF CURVE;
4. ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 1030.00 FEET, A CENTRAL ANGLE OF 03°46'45" AND AN ARC LENGTH OF 67.94 FEET TO A POINT OF TANGENCY;
5. N00°31'33"W, A DISTANCE OF 484.43 FEET TO A POINT OF CURVE;
6. ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 770.00 FEET, A CENTRAL ANGLE OF 07°36'03" AND AN ARC LENGTH OF 102.15 FEET TO A POINT ON CURVE ON THE NORTH LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 10;

THENCE S89°57'03"E ALONG SAID NORTH LINE A DISTANCE OF 13.24 FEET TO THE EAST LINE OF SAID NORTHWEST ONE-QUARTER OF SECTION 10;

THENCE S00°35'11"E ALONG SAID EAST LINE A DISTANCE OF 1326.27 FEET TO THE POINT OF BEGINNING.

CONTAINING A CALCULATED AREA OF 62,028 SQUARE FEET OR 1.424 ACRES

PARCELS 1, 2, AND 3 CONTAIN A TOTAL CALCULATED AREA OF 3,268,029 SQUARE FEET OR 75.024 ACRES.