

**CASTLE PINES COMMERCIAL FILING 5
SUBDIVISION IMPROVEMENTS AGREEMENT
(CASTLE ROCK FACTORY SHOPS - PHASE IV)**

22f

DATE: November 14, 1996.

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

DEV-VIC LTD. LIABILITY CO., a Colorado limited liability company, 482 Happy Canyon Road, Castle Rock, Colorado 80104 ("Subdivider").

CASTLE ROCK FACTORY SHOPS PARTNERSHIP, a Colorado partnership, 5050 Factory Shops Boulevard, Castle Rock, Colorado 80104 ("CRFS").

MORTGAGEES: **NOMURA ASSET CAPITAL CORPORATION**, a Delaware corporation

RECITALS:

A. Subdivider and CRFS desire to plat and subdivide certain property within the Town as Castle Pines Commercial Filing 5 (the "Subdivision"), more particularly described in the attached *Exhibit 1* (the "Property").

B. CRFS is the owner of the Castle Rock Factory Shops, a regional shopping center located partly on the Property. CRFS intends to expand the shopping center on the Property. Certain municipal infrastructure must be extended to the Property to service the expanded shopping center. Both Subdivider and CRFS will incur development costs in providing such infrastructure.

C. The subdivision regulations within the Castle Rock Municipal Code require this Agreement for the purpose of securing the timely construction of public improvements necessary to provide public utilities and services to the Subdivision. In addition, the parties have identified the need to address certain other issues concerning development of the Subdivision.

D. This Agreement is intended to protect the Town from any liability or cost which may result from the failure of the responsible party to complete construction of such public improvements to Town standards. This Agreement is not made for the benefit of materialmen, laborers, or others providing work, service or material to improvements on the Property.

E. Mortgagee is a signatory to this Agreement solely for the purpose of subordinating its lien(s) against the Property to the provisions of this Agreement.

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:

Development Agreement: the Development Agreement (Castle Pines Commercial) dated December 2, 1994, recorded on July 14, 1995 at Reception No. 953141 of the Records, as amended by First Amendment to Development Agreement, dated December 19, 1995 at Reception No. 9560844 of the Records; Second Amendment to Development Agreement, dated March 14, 1996, recorded on 11/20, 1996 at Reception No. 9664762 and Third Amendment to Development Agreement, dated October 24, 1996, recorded on November 15, 1996 at Reception No. 9663946 of the Records.

Phase IV: the expansion of the Castle Rock Factory Shops on Lots 2 and 3 of the Plat, consisting of a maximum of 104,000 square feet of gross leasable retail space substantially in accordance with the approved Final PD Site Plan dated February 23, 1996 and approved by the Town on February 29, 1996.

Plans: the description of the Public Improvements on the Subdivision preliminary plat and related documents.

Plat: the final Subdivision plat which is recorded on 11/20/96 at Reception No. 9664761 of the Records.

Property: the real property described in the attached *Exhibit 1*.

Public Improvements: the Phase I water, wastewater, stormwater drainage, transportation and landscaping or other systems or infrastructure identified in the approved preliminary plat for the Subdivision for construction, which upon their completion are to be dedicated by Subdivider and CRFS to Town for operation and maintenance by the Town together with the water main extension along SH85 to Meadows Parkway (the "Water Line Extension"). The Public Improvements are generally described in *Exhibit 2*.

Public Improvements Cost: the cost incurred in constructing the Public Improvements, inclusive of associated design, engineering, construction management and other "soft costs" typically capitalized to a public works facility under generally accepted accounting principals. Abbreviated as "PIC".

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

and Recorder.

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

Section 2. Development Responsibility. Responsibility for development of the Public Improvements is allocated between Subdivider and CRFS in accordance with the attached *Exhibit 2* (the "Allocation")¹. Developer² shall construct the Public Improvements in strict accordance with the Plans, or to the extent not otherwise provided in the Plans, in accordance with applicable Town ordinances, rules and regulations. Town shall have the right to withhold development approvals for the Subdivision in accordance with section 12(b), in the event of an uncured default by Developer. CRFS shall have the right, but not the obligation, to cure a default by Subdivider which has not been remedied during the 30-day cure period referenced in section 11, by so notifying the Town and Subdivider in writing. Subdivider shall have the right, but not the obligation, to cure a default by CRFS which has not been remedied during the 30-day cure period referenced in section 11, by so notifying the Town and CRFS in writing. In such event, the party curing such default shall have the right to access the Security (as that term is defined in section 5) furnished Town by the other party to complete the construction, provided Town's obligation to each party shall be limited to making diligent efforts to realize the proceeds from the Security.

In lieu of constructing that portion of Factory Shops Boulevard and Atrium Drive depicted on *Exhibit 3* (the "Town Improvements"), CRFS shall tender to Town the sum of \$50,925 concurrently with Plat recordation³. Town shall construct the Town Improvements when required under the Development Agreement, as amended, or when Developer gives Town written notice that the Town Improvements are necessary to accommodate other development within the area subject to the Development Agreement. In such event Town shall commence construction within 120 days of receipt of such notice and diligently pursue construction to completion. Town, at its option, may construct the Town Improvements at an earlier date.

Section 3. Deferral of Improvements. The Subdivision is the first final subdivision plat within the area designated Parcels 5 and 10/11 on Exhibit C-1 to the Development Agreement. The Development Agreement mandates the construction of certain public improvements concurrently with the initial development within these designated Parcels.

¹ Subdivider and CRFS have addressed in their separate agreement their respective obligation to undertake certain other improvements other than the Public Improvements.

² Ed Note: Whenever the term Developer is used it shall mean both Subdivider and CRFS, but as to each only to the extent of their respective obligations to construct the Public Improvements as set forth in *Exhibit 2*.

³ The "Town Improvements" are exclusive of the roadway subgrade which is the separate obligation of Subdivider as part of the Improvements.

However, development of certain of these public improvements is deferred by the amendments to the Development Agreement.

Section 4. Time of Construction. Developer must commence construction of the Public Improvements within six (6) months of the recordation of the Plat and complete construction within one (1) year of Plat recordation, provided that the Water Line Extension must be completed by Subdivider prior to June 1, 1997 in any event. Developer's obligation to commence and complete construction of the Public Improvements is effective with recordation of the Plat, and is not conditioned on commencement of construction of private improvements or the sale of lots within the Subdivision. In the event all of the Public Improvements are not timely constructed, the Town, at its option may declare an event of default as specified in section 11(a), below. Town shall not be obligated to issue certificates of occupancy for private improvements on the Property until all Public Improvements have been initially accepted by Town, subject to the one year warranty.

Section 5. Public Improvements Security. In accordance with Town regulations, Developer shall provide to Town, or cause to be provided, financial guarantees in a form approved by the Town Attorney (the "Security"), to assure the timely construction of the Public Improvements. Security shall be provided to Town in accordance with the following:

- (a) All construction costs estimates shall be submitted by the Developer's registered civil engineer and reviewed and approved by the Town's engineering division which cost estimate shall be used to establish the Security requirement;
- (b) The Security shall be furnished to Town concurrently with issuance by Town of the first public works permit for the Public Improvements provided however Security for the Water Line Extension shall be provided concurrently with recordation of this Agreement;
- (c) CRFS shall provide a letter of credit or cash deposits in the amount of 100% of the estimated construction costs of the Public Improvements to Meadows Parkway and Factory Shops Boulevard, described in the Allocation (the "Transportation Improvements");
- (d) CRFS shall provide a letter of credit, cash deposits or a performance bond in the amount of 25% of the estimated construction costs of all other Public Improvements, (excluding the Transportation Improvements) for which it is responsible and under the Allocation; and
- (e) Subdivider shall provide a letter of credit, cash deposits or a performance bond in the amount of 100% of the estimated construction costs of all

Public Improvements for which it is responsible under the Allocation, which shall not include the grading of the private improvements on the Property;

The purpose of the Security is to provide Town with the financial resources to mitigate any public health and safety hazards relating to the Public Improvements and/or regrade and revegetate the Property and/or complete construction of any Public Improvements for which the Security was provided, should there be a default in the obligation to complete such Public Improvements. Town shall not be responsible or obligated to complete the Public Improvements, if the Security does not afford sufficient moneys to do so, as reasonably determined by Town. With Town's acceptance of the respective Public Improvements, the Security therefore shall be reduced to 15% of the actual construction cost to secure the warranty on such Public Improvements during the one year warranty period. Upon expiration of the one-year warranty period or (in the event warranty matters have not been rectified within such one-year period) as soon thereafter as the Town has finally accepted the respective Public Improvements, the balance of the Security for such Public Improvements shall be refunded or released to the party furnishing the Security, subject to section 2.

Section 6. Acceptance of Improvements. Upon substantial completion of each portion of the Public Improvements, Developer may request inspection of such portion of the Public Improvements. Town shall make inspection within five (5) working days of the date final inspection is requested, and Town shall notify each Developer of non-conforming work within five (5) working days after the inspection is made. Developer 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. Upon cure of non-conforming work and final acceptance of the Public Improvements by Town, Developer shall promptly convey its interest in the respective Public Improvements provided by it by document in the form attached as *Exhibit 4*. To the extent the Public Improvements are located on property dedicated to Town, Town shall allow Developer access to such property for the purpose of installing the Public Improvements.

Section 7. Water Supply. The Property is subject to the Castle Pines Commercial Water Rights Dedication Agreement dated December 2, 1994, recorded on July 14, 1995 at Reception No. 9531415 of the Records (the "Water Agreement"). The water demand for the Subdivision has been calculated by Subdivider's engineer and reviewed and approved by Town's engineering division based upon the taps to the potable water systems set forth in the attached *Exhibit 5*. Accordingly, 18 SFE of the "Water Credit" under the Water Agreement have been applied to meet the water supply requirements for the Subdivision, under the assumption that Phase IV will be developed (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 neither the specified tap sizes increase nor additional taps are added. If additional taps are made or the tap sizes increase from that indicated in *Exhibit 5*, 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. As between Subdivider and CRFS, Subdivider is not obligated to provide additional water resources or entitlements unless the need for additional taps or tap size has been confirmed by Subdivider's engineer and such additional taps are not as a result of usage in excess of that previously approved by Subdivider. 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 on the Property, 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 Pines Commercial Water Bank (as that term is defined in the Water Agreement.)

Section 8. Assessments and Fees. As a condition to recordation of the Plat, CRFS shall pay the following contractual assessments to the Town:

- (a) \$24,045 for prior Meadows Parkway improvements pursuant to the Development Agreement; and
- (b) \$68,291 as the pro rata participation for the Silver Heights Interchange improvements pursuant to 9.2(d)(ii) of the Development Agreement.

The transportation fees imposed under Chapter 3.12 of the Castle Rock Municipal Code, shall not be imposed or collected on development of the Property.

Section 9. Off-site Property Interests. Concurrently with, and as a condition to the recordation of the Plat, Subdivider shall cause to be conveyed to Town, by legal instrument approved by Town:

- (a) a 30-foot wide non-exclusive permanent easement for the stormwater drainage pipeline from the Property boundary to Atrium Drive.
- (b) a 40-foot wide non-exclusive temporary easement for the stormwater drainage ditch from Atrium Drive to the regional detention pond (to be changed to a permanent easement for pipeline upon installation of the pipeline).

Such easement shall be conveyed free and clear of any liens or encumbrances. In the conveyance instrument, Developer shall reserve the right to construct the designated Public Improvements within the easement.

Section 10. Applicability of Development Agreement. This Agreement supersedes any conflicting provision in the Development Agreement as applicable to the Property. Neither Subdivider or CRFS shall have any obligation to Town for performance of any covenant under the Development Agreement as a condition to development of the Property, unless such covenant is expressly restated in this Agreement.

Section 11. Default. The following occurrences constitute an event of defaults:

- (a) Failure of Subdivider or CRFS to commence or complete construction of the respective Public Improvements within the prescribed time periods;
- (b) Failure of Subdivider or CRFS to cure the defective construction of any Public Improvement within the applicable cure period;
- (c) the insolvency of Subdivider or CRFS, the appointment of a receiver for the Subdivider or CRFS or the filing of a voluntary or involuntary petition in bankruptcy;
- (d) Breach of any other provision of this Agreement by the obligor.

As a condition to Town's right to exercise its remedies for default of (a) or (b), above, Town shall give written notice to the defaulting party of the occurrence of an event of default. The defaulting party shall have 30 calendar days from the receipt of such notice to cure the default., unless such cure is delayed due to weather conditions in which event such 30 day period shall be extended by a number of days equal to the number of days of such delay. If cure of the noticed default(s) is not accomplished, Town shall thereafter be entitled to pursue its remedies against the defaulting party. Both Subdivider and CRFS have the right, but not the obligation, to cure the other's default. In the event that Subdivider or CRFS exercise such right to cure, it shall have the same access rights as are granted Town under 12(a).

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

- (a) if the default is in completion of the Public Improvements, call the applicable Security, in accordance with its terms, and apply the Security for site remediation and/or completion of the Public Improvements as authorized in section 5. Subdivider and CRFS grant to Town and, if applicable, the surety, and their employees, agents and contractors, a non-exclusive right and easement to enter onto their respective properties for the purpose of site remediation and/or constructing the Public Improvements upon default;

- (b) withhold issuance of building permits, certificates of occupancy and tap connection for the improvements constructed or to be constructed on the Property and record a notice of non-compliance with this Agreement in the public records to provide record notice of the defaulting party's default; and
- (c) bring suit against the defaulting party for damages and/or equitable relief for breach of this Agreement.

Section 13. Subdivider/CRFS Rights Upon Default. When an event of default by Town occurs, Town shall have ten (10) days from the date of written notice to cure such default. If default is not timely cured the non-defaulting party(ies) may bring suit against Town for damages and/or equitable relief for breach of this Agreement.

Section 14. Several Rights and Liability. Neither Subdivider nor CRFS shall be responsible for the performance of the other party's duties and responsibilities under this Agreement, it being agreed that each party shall be severally liable for its own duties and responsibilities.

Section 15. 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 Town, CRFS 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 defaulting party or the acceptance of any Public Improvement.

Section 16. Indemnification. Subdivider shall indemnify and hold 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 prior to the date of acceptance of the Public Improvements, in connection with, or on account of the construction or repair of the respective Public Improvements to be provided by it pursuant to the Allocation. CRFS shall indemnify and hold 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 prior to the date of acceptance of the Public Improvements, in connection with, or on account of the construction or repair of the respective Public Improvements to be provided by it pursuant to the Allocation. Notwithstanding the foregoing, neither Subdivider nor CRFS shall be responsible for any claims, costs or liabilities resulting from the negligence or intentional misconduct of Town.

Section 17. Attorney's Fees. Should any 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.

Section 18. Scope. This Agreement constitutes the entire agreement between the parties concerning the Subdivision and no statement, promise, or inducement that are not contained in this Agreement or on the Plat will be binding on the parties.

Section 19. 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:

Subdivider: Dev-Vic Ltd. Liability Co.
 482 Happy Canyon Road
 Castle Rock, Colorado 80104

CRFS: Castle Rock Factory Shops Partnership
 5050 Factory Shops Boulevard
 Castle Rock, Colorado 80104

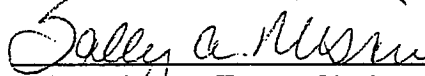
Town: Town of Castle Rock
 Attn: Town Attorney
 680 N. Wilcox Street
 Castle Rock, CO 80104

Section 20. Recordation. 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 and CRFS in the same manner as if such third parties were signatories to this Agreement.

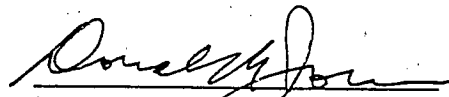
Section 21. Immunity. Nothing contained in this Agreement constitutes a waiver of the Town's sovereign immunity under any applicable state law.

ATTEST:

TOWN OF CASTLE ROCK

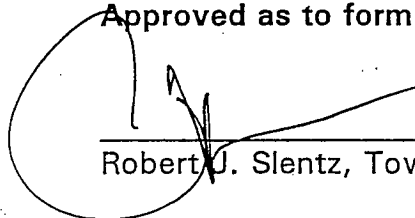


Sally Misare, Town Clerk



Donald K. Jones, Mayor

Approved as to form:



Robert J. Slentz, Town Attorney

STATE OF COLORADO)
)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this 18th day of November, 1996, by Donald K. Jones as Mayor and Sally Misare as Town Clerk of the Town of Castle Rock.

Witness my official hand and seal.

My Commission expires: 10/31/98.

Adita K. Hostetter
Notary Public

DEV-VIC LTD. LIABILITY CO., a
Colorado limited liability company.

By: Mark A. Vickers III
Its: MANAGER

STATE OF COLORADO)
) ss.
COUNTY OF)

The foregoing instrument was acknowledge before me this 18th day of November 1996, by Mark A. Vickers III as MANAGER for Dev-Vic Ltd. Liability Co., a Colorado limited liability company.

Witness my official hand and seal.
My commission expires: 10/31/98

Judith K. Hostetter
Notary Public

CASTLE ROCK FACTORY SHOPS
PARTNERSHIP, a Colorado partnership.

By: Prime Retail, L.P., its general partner
By: Prime Retail, Inc., its general partner
By: Glenn D. Reschke
Its: Executive Vice President

MARYLAND
~~STATE OF COLORADO~~)
) ss.
CITY
~~COUNTY OF~~ BALTIMORE)

The foregoing instrument was acknowledged before me this 13th day of November, 1996, by Glenn D. Reschke as Executive Vice President for Castle Rock Factory Shops Partnership, a Colorado partnership.

Witness my official hand and seal.
My commission expires: November 1, 1999

Eugenie J. Schorn
Notary Public

of Prime Retail,
Inc., general partner
of Prime Retail, L.P.,
general partner



EXHIBIT 1

LEGAL DESCRIPTION - Castle Pines Commercial Filing 5

Lots 1 and 2 and a part of Factory Shops Boulevard of Castle Rock Factory Shops, according to the recorded plat thereof, and a portion of Section 27, Township 7 South, Range 67 West of the 6th Principal Meridian, Town of Castle Rock, Douglas County, Colorado, being described as follows:

Commencing at the Northeast corner of Section 27 and considering the East line of the Northeast quarter of said Section 27 to bear South 00°28'54" West with all bearings contained herein, relative thereto; thence South 64°15'27" West, 1642.39 feet to the West right-of-way line of the Interstate 25 frontage road and the POINT OF BEGINNING of this description; thence along said West right-of-way line South 27°45'54" East, 1441.33 feet to the Southeast corner of said Lot 1; thence along the Southerly line of said Lot 1 the following courses: South 62°14'06" West, 290.00 feet; thence South 27°45'54" East, 154.06 feet; thence South 62°14'06" West, 84.56 feet; thence North 72°45'54" West, 162.01 feet; thence South 62°14'06" West, 440.88 feet; thence North 27°45'54" West, 135.00 feet; thence South 62°14'06" West, 426.88 feet to the Southwest corner of said Lot 1; thence along the West line of said Lot 1 along a non-tangent curve to the right having a delta of 06°38'05", a radius of 1500.00 feet, an arc of 173.69 feet and a chord which bears North 24°23'43" West, 173.60 feet; thence departing said West line South 70°16'52" West, 117.51 feet to the West right-of-way line of said Factory Shops Boulevard; thence departing said West right-of-way line, North 19°43'08" West, 109.24 feet; thence along a curve to the left having a delta of 29°38'19", a radius of 945.00 feet, an arc of 488.84 feet, and a chord which bears North 34°32'18" West, 483.41 feet; thence North 49°21'27" West, 169.14 feet; thence along a curve to the left having a delta of 80°32'24", a radius of 40.00 feet, an arc of 56.23 feet, and a chord which bears North 89°37'39" West, 51.71 feet; thence North 39°53'51" West, 70.00 feet; thence along a non-tangent curve to the left having a delta of 62°48'45", a radius of 468.00 feet, an arc of 513.06 feet, and a chord which bears North 18°41'47" East, 487.75 feet; thence North 77°17'24" East, 70.00 feet; thence North 62°14'06" East, 1206.12 feet to the POINT OF BEGINNING of this description, containing 47.68 acres, more or less.

SURVEYOR'S CERTIFICATE

I, MICHAEL C. CREGGER, do hereby certify that this legal description was prepared by me or under my direct supervision.

January 18, 1996 *Michael C. Cregger*

MICHAEL C. CREGGER
Professional Land Surveyor
Colorado Registration No. 22564



LEGAL211 Macshop P.1 (1-18-96)

TST INC. of DENVER
Consulting Engineers

102 Inverness Terrace East
Suite 105
Englewood, CO 80112
(303) 792-0557

EXHIBIT 2
ALLOCATION OF RESPONSIBILITY

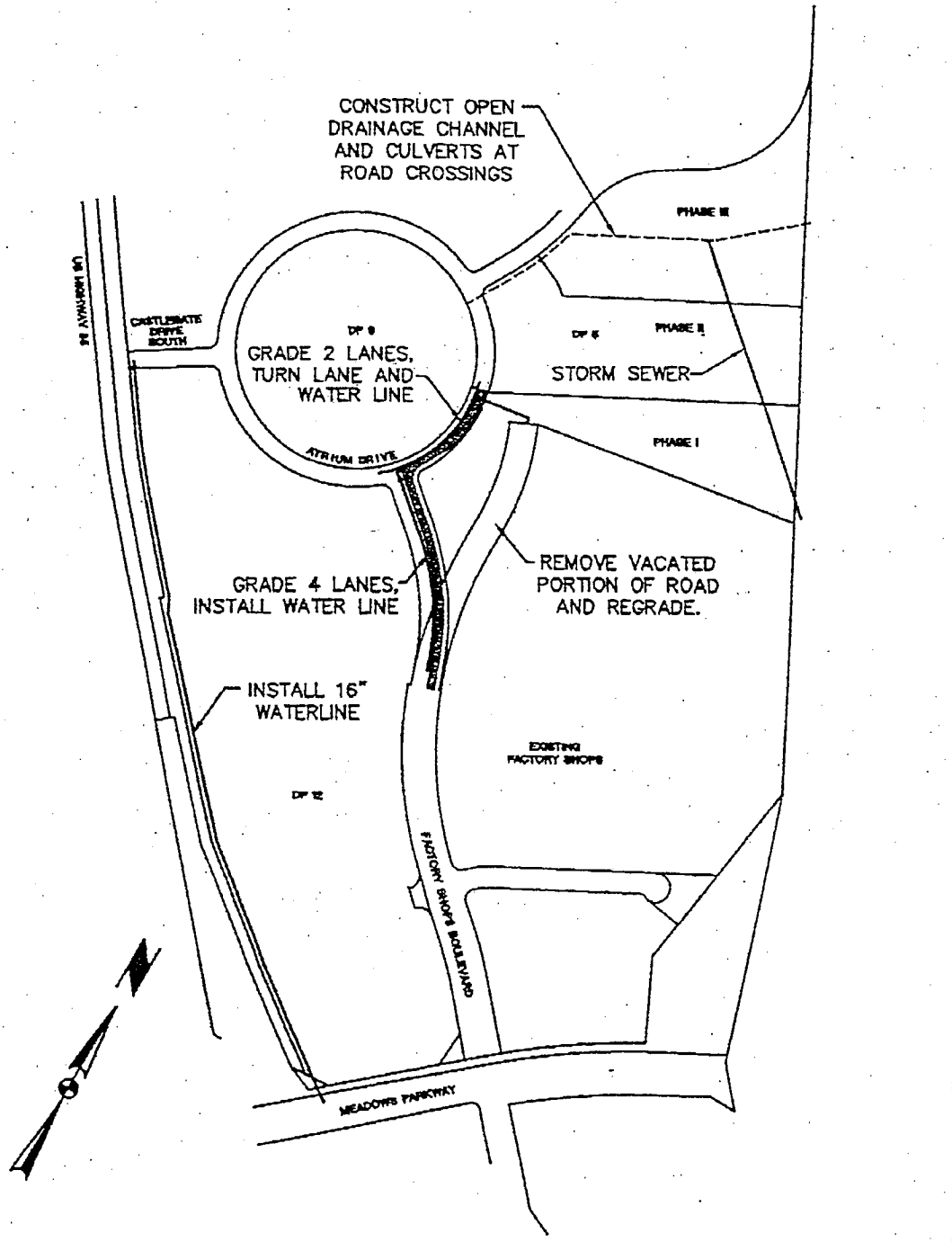
Subdivider Responsibility:

1. Construct a storm sewer to transport flows from the existing box culvert under Interstate 25 at the north end of the existing Castle Rock Factory Shops to the north past the Property. Also provide for conveyance of these flows from the discharge point of the above described storm sewer to the existing historic drainage.
2. Construct the roadbed, up to subgrade elevation, of the relocated portion of Factory Shops Boulevard and Atrium Drive to the northern boundary of the Property. The roadbed for Factory Shops Boulevard shall be constructed to a width to allow a 72 foot wide road section. Atrium Drive will be graded to provide for a two lane (24 feet plus curb) road section plus a right turn auxiliary lane.
3. Construct a 12 inch water main associated with the roadbeds described above, to include fire hydrants and appurtenances.
4. Remove the existing roadway in the abandoned portion of the right-of-way of Factory Shops Boulevard and regrade the roadbed.
5. Construct a 16 inch water line along U.S. Highway 85 from Castlegate Drive South to the existing line in Meadows Parkway including appurtenances.

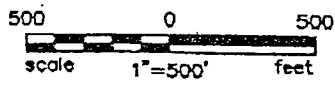
CRFS Responsibilities:

1. Construct the water line loop around the two new buildings including fire hydrants and appurtenances.
2. Construct the relocated portion of the "Silver Heights" sanitary sewer main.
3. Pave two lanes of the relocated portion of Factory Shops Boulevard from the connection to the existing road alignment to Atrium Drive, including a two foot collection curb on the easterly side of the road and a one foot outfall curb on the westerly side of the road. The total width of the paved section shall be 28 feet from flowline to flowline.
4. Pave two lanes (24 feet of paving) of Atrium Drive, plus a 12 foot right turn lane, from the intersection of the relocated Factory Shops Boulevard to the north end of the Property. This paving will additionally include a two foot curb section on the easterly side of the pavement.
5. Construct a right turn lane on the westbound Meadows Boulevard approaching Factory Shops Boulevard and connecting to Factory Shops Boulevard, including relocation of existing street lights and signs and striping and signage for the new lane.
6. Construct a new left turn bay on southbound Factory Shops Boulevard to provide a total of three outbound lanes at the intersection with Meadows Boulevard. This work will also entail removal and reconstruction of the nose of the median on Meadows Boulevard and the relocation of signage and striping.

CASTLE PINES COMMERCIAL FILING 5 DEV-VIC LLC OBLIGATIONS



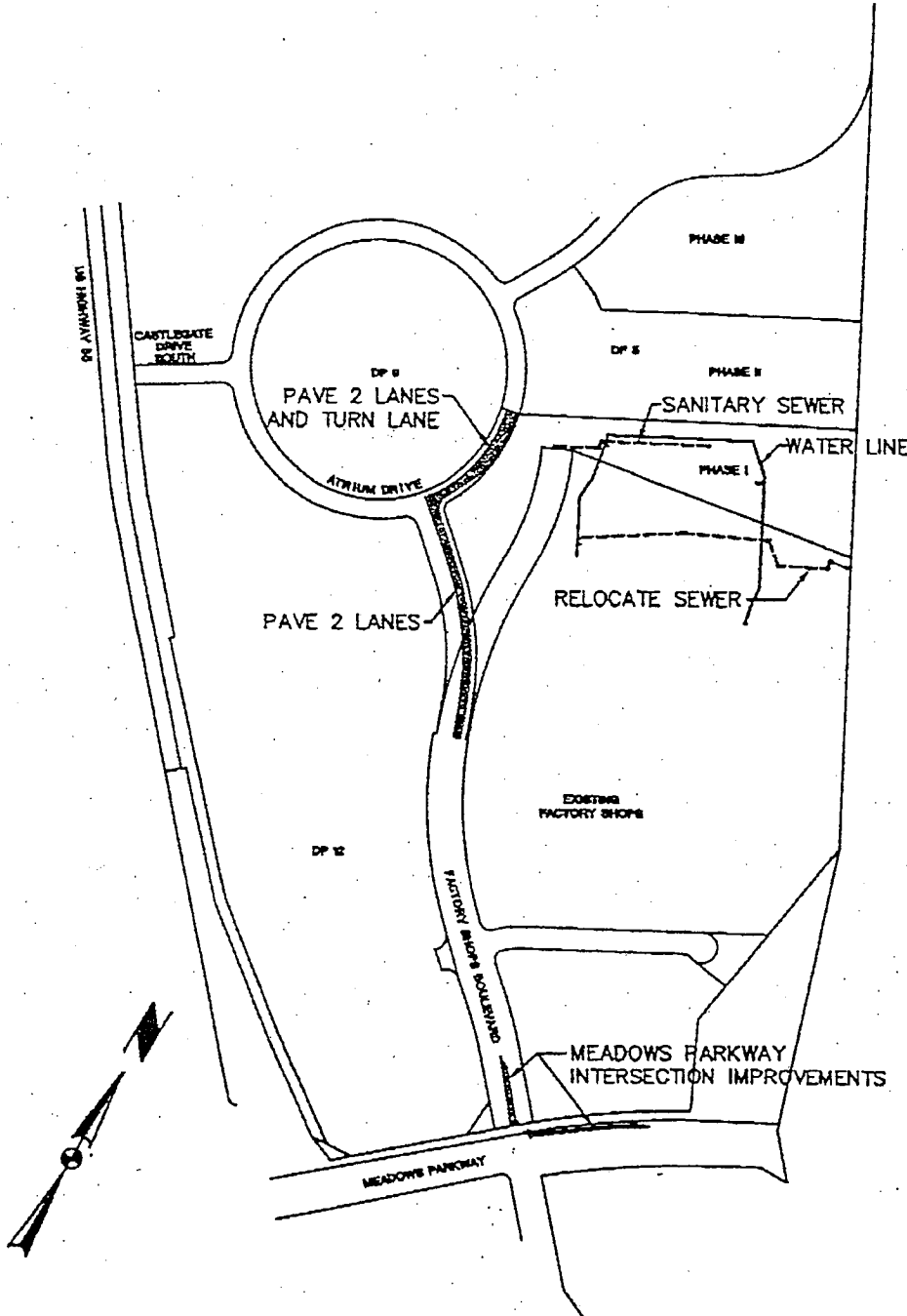
T&T INC. OF DENVER
Consulting Engineers



SHEET 1 OF 2

JOB NO. 40-771.004

CASTLE PINES COMMERCIAL FILING 5 CRFS OBLIGATIONS



TST INC. OF DENVER
Consulting Engineers



SHEET 2 OF 2

EXHIBIT 4
PUBLIC IMPROVEMENTS CONVEYANCE AND 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 _____ except as provided to the contrary in separate agreement, 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.

THEREFOR, 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 a period of ____ years commencing with the date of 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:

**EXHIBIT 4
PUBLIC IMPROVEMENTS CONVEYANCE AND 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 _____ except as provided to the contrary in separate agreement, 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.

THEREFOR, 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 a period of ____ years commencing with the date of 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:

EXHIBIT 5

Occupance	No. of Taps	Size (in.)	SFE/Tap	Total SFE
Factory Shops	2	2	8	16
Irrigation Tap	1	1	2	2
TOTALS	3			18