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34 PGS

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08/29/2002 12:11 PM



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**CRYSTAL VALLEY RANCH FILING NO. 1  
SUBDIVISION IMPROVEMENTS AGREEMENT**

340  
170.00

**DATE:** August 29, 2002.

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

**CRYSTAL VALLEY RANCH DEVELOPMENT CO, LLC**, a Colorado  
limited liability company, **ALLAN J. BLOCK, MATTHEW D. GORDON,**  
**PAUL R. EAKINS, GREGORY W. BROWN** (collectively, Subdivider)  
823 S. Perry Street, Suite 210, Castle Rock, Colorado 80104.

**MORTGAGEES:** **Maple Grove Land Partnership**  
**Wayne E. Brown Family, LLC**  
**Richard A. Putnam**  
**Wells Fargo Bank, NA**

**RECITALS:**

A. Subdivider desires to plat and subdivide certain property as Crystal Valley Ranch Filing No. 1 (Subdivision), more particularly described in the attached **Exhibit 1** (Property).

B. The subdivision regulations of the Castle Rock Municipal Code require that the Subdivider construct the public improvements necessary to provide municipal utilities and services to the Subdivision in accordance with Town public works regulations. By this Agreement, the parties address the conditions for construction of such improvements and certain other issues concerning development of the Subdivision.

C. This Agreement is intended to protect the Town from any liability or cost which may result from the failure of the 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 necessary Subdivision infrastructure will be completed by the Town in the event of a default by Subdivider.

D. Mortgagees are parties to this Agreement solely for the purpose of subordinating their liens and interest in the Property to the terms and conditions 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:

**Agreement:** this Crystal Valley Ranch Filing No. 1 Subdivision Improvement Agreement.

**Code:** the Castle Rock Municipal Code, as amended.

**Development Agreement:** the Crystal Valley Ranch Development Agreement dated March 22, 2001, recorded December 12, 2001 at Reception No. 01120401, beginning in Book 2210 at Page 2206 of the Records.

**Director:** the Assistant Town Manager of Development Services or designee.

**Districts:** the Crystal Valley Ranch Metropolitan District Nos. 1 and 2.

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

**Improvements:** the water, wastewater, stormwater drainage, transportation, park, 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.

**Landscaping:** the Landscaping required on public areas or tracts and/or prescribed under the Final Site Plan or applicable subdivision and zoning regulations.

**Phase:** a contiguous geographical area of the Subdivision so designated in the Plans.

**Phase Improvements:** those Improvements required to be constructed with a particular phase, as prescribed in the Phasing Plan, but excluding Landscaping.

**Phase Landscaping:** the Landscaping required to be installed within a particular Phase.

**Phasing Plan:** the depiction or description in the Plans of the Phases and the Improvements to be constructed with each Phase, as approved by the Director or

designee.

**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 for the Subdivision as approved by the Town.

**Preliminary Plat:** the Crystal Valley Ranch Filing No. 1 preliminary subdivision plat approved by the Town.

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

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

**Subdivision:** the Crystal Valley Ranch Filing No. 1 Subdivision.

**Town Regulations:** the Code, inclusive of the Town public works regulations, as the same may be amended from time to time.

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 ordinances, rules and regulations. The Improvements may be constructed by Phase, in accordance with the applicable Phasing Plan, if any.

In the event Subdivider has not obtained all necessary Town permits and approvals and commenced construction of the initial Phase One Improvements as shown on the Phasing Plan approved by the Town on July 31, 2002 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; provided that Subdivider shall not be required to resubmit a land use application for the Subdivision

Phase Improvements must be completed not later than one year after the date of issuance of the first public works permit for such Phase Improvements, 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.

The requirements for completion of Landscaping are contained in section 6.

**Section 3. Restrictions Pending Completion of Improvements.** No building permits shall be issued by Town within any Phase until the Phase Improvements required by the Phasing Plan for such Phase 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 a Phase unless the Phase Improvements have been accepted by the Town as provided in section 4.

The Director, in his/her absolute discretion, may authorize issuance of one or more designated building permits prior to substantial completion, if unusual and unanticipated circumstances warrant granting a relaxation of the substantial completion requirement. In such event, the Director may impose the condition that all work must cease under such building permit if the Phase 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 separate 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.

The requirements for completion of Landscaping are contained in section 6.

**Section 4. Acceptance of Improvements.** Upon substantial completion of the Phase 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 Phase Improvements by Town, Subdivider shall promptly convey its interest in the Phase Improvements by document in the form attached as **Exhibit 2**. On the date of conveyance of the Phase Improvements, the applicable warranty period commences.

The acceptance process for Landscaping is addressed in section 6.

**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 Phase Improvements, which Subdivider is constructing. The Phase Improvements to be constructed by Districts shall be secured in accordance with Article III of the Development Agreement, which permits the Districts to establish a construction escrow in lieu of separate financial guarantee. The required financial guarantees are referred to as the "Security." The Security for each respective Phase shall be delivered to Town prior to and as a condition of the issuance of the first public works permit within such Phase. All construction cost estimates shall be submitted by Subdivider's (or as applicable, Districts') registered civil engineer and reviewed and approved by the Town's engineering division, which cost estimates shall be used to estimate the Security requirement. Subdivider shall have the right to substitute permitted equivalent Security from a homebuilder for the Security provided by the Subdivider.

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 Phase Improvements, should Subdivider or Districts default in its obligation to complete the Phase Improvements (Remedial Work). The Town retains the absolute discretion to determine what Remedial Work, if any, is undertaken by Town on the Phase 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, or in the event a letter of credit or cash escrow is furnished by Subdivider or Districts, to such party.

With Town's initial acceptance of the Phase Improvements, the Security shall be reduced to 15% of the actual construction cost of the Phase Improvements in accordance with Town Regulations. The warranty portion of the Security shall be released as authorized in the Town Regulations. The release of the Security applicable to Landscaping is subject to the further restrictions and requirements of section 6.

In addition, Subdivider retains the obligation to provide separate financial guarantees for construction of certain public safety facilities as provided in section 12.

**Section 6. Landscaping.** Subdivider shall make best efforts to complete all Phase Landscaping in conjunction with completion of the Phase Improvements as provided in section 2. Inspection of Phase Landscaping by the Town shall be made in the same manner as prescribed for Phase Improvements under section 4.

With Town's acceptance of the Phase Landscaping concurrently with the Phase Improvements, the Security pertaining to the Phase Landscaping shall be reduced to 15% of the actual cost of the Phase Landscaping. In such event, the warranty Security pertaining to the Phase Landscaping shall be released in accordance with Town

## Regulations.

In the event that at the time the Town accepts the Phase Improvements the Phase 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 Phase Landscaping to be held by Town as security for completion of the Phase Landscaping (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 building permit within the Phase;
- (d) upon receipt of the Landscape Deposit the Town will release that portion of the Security applicable to the Phase 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 Phase Landscaping;
- (g) within 10 days of completion of the Phase 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 Phase Landscaping shall commence;
- (h) if at the end of such 180 day period the Phase Landscaping has not been completed and accepted by Town, Town may use the Landscape Deposit to the extent necessary to complete the Phase Landscaping, provided Town will not be obligated to spend any Town funds to complete the Phase Landscaping in the event the Landscape Deposit is insufficient to fund completion;
- (i) Town shall return to Subdivider any portion of the Landscape Deposit which remains after the Town has completed the Phase Landscaping within 10 days after completion of such Phase Landscaping, less a 15% hold-back for the warranty period;
- (j) the Landscape Deposit held for the warranty shall be released to Subdivider

within 10 days of the date of expiration of the Phase Landscaping warranty and Town's final acceptance of the Phase Landscaping.

**Section 7. Water Supply.** 210 SFE of the "Water Credit" provided in Article V of the Development Agreement have been applied to meet the water supply requirements for the Subdivision, (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 Town ordinances and regulations), exceeds the Subdivision Water Credit, additional entitlements under the Development 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 on the Property, will create an aggregate water demand in excess of the Subdivision Water Credit (as the same may be subsequently augmented 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 Crystal Valley Ranch Water Bank, as provided in the Development Agreement.

**Section 8. Public Land Dedication.** As a condition to recordation of this Agreement, Tract P shall be conveyed to Town by special warranty deed to the title standards specified in the Development Agreement. With tender of the special warranty deed, Subdivider shall deliver to Town a title insurance commitment proposing to insure the Town's marketable title in such tract in the total amount of \$548,000 and pay the premium for the title insurance policy after conveyance.

**Section 9. Application of Development Agreement.** The Development Agreement contains certain other conditions and requirements which apply to the development of the Property. In the event of a conflict between the Development Agreement and this Agreement, this Agreement shall govern and control.

**Section 10. Water Improvements.** Prior to the issuance of the first structural building permit within the Subdivision which is to be served from the Red Zone pressure zone, the Red Zone transmission main must be operational. Similarly, prior to the issuance of the first structural building permit within the Subdivision which is to be served from the Green Zone, the Green Zone pressure transmission main and related system improvements, all as more specifically addressed in the 'Green Zone Water Main Extension Agreement' between the Town, Crystal Valley Ranch Development Co. and the Districts (Green Zone Agreement) must be operational. Foundation only permits may be issued prior to the time the Subdivision qualifies for structural permits.

Nothing in this Agreement shall be considered a modification of the rights and obligations of the parties under the Green Zone Agreement.

**Section 11. Temporary Wastewater Connection.** Subdivider shall complete the connection to the existing sanitary sewer within Mount Royal Drive through the Heckendorf Ranch property prior to the issuance of the first certificate of occupancy. When the Town extends a wastewater main to Crystal Valley Parkway, Subdivider shall forthwith construct a new wastewater main extending to the Town line and abandon and remove the Mount Royal line.

**Section 12. Fire Station and Equipment.** Subdivider shall comply with the terms and conditions set forth in the First Amendment to Crystal Valley Ranch Development Agreement dated August 19, 2002 (First Amendment) with regards to the construction and funding of the fire station and fire truck. Pursuant to section 1 of the First Amendment, Subdivider shall pay the System Development Fees for a ¾ inch tap for the fire station concurrently with and as a condition to recordation of this Agreement.

**Section 13. Douglas Lane Interchange.** Town has not required any direct financial participation of the Property in the proposed construction of the Douglas Lane I-25 Interchange (Interchange). In lieu of an assessment against the Property to fund the Interchange construction, Town has limited the level of development in the Crystal Valley Ranch until the Interchange is constructed, as provided in the Development Agreement. As a result, the proportionate impact/benefit from the Subdivision on the Interchange will be absorbed by Districts and/or Subdivider (as master developer) when the Interchange is funded and constructed.

**Section 14. Construction Damage.** Subdivider shall be responsible for any extraordinary damage to Crystal Valley Parkway and roadways or public improvements internal to the Subdivision, resulting from the gross negligence of contractors working on the Improvements or private improvements. Subdivider may assign responsibility and liability for such construction damage to the builders within the Subdivision. Town consents to such assignment, without relieving Subdivider of the obligation to repair damage, in the event the assignee fails to do so as a result of construction traffic from the Subdivision. Provided however, where a third party assumes the role of Subdivider by applying for a public works permit and constructing public works for dedication to the Town, such third party shall be considered to be the Subdivider for purposes of this section and shall be responsible to the Town for construction damage.

**Section 15. Disclosure to Purchaser.** Subdivider shall make the following disclosure in any contract for conveyance of any portion of the Property (excluding the sale of a lot to a retail purchaser):

*Development of this Property is subject to the Crystal Valley Ranch Filing No. 1 Subdivision Improvements Agreement with the Town of Castle Rock. Issuance of development approvals by the Town for your property may be dependent on the completion of certain off-site public improvements by Seller or other parties. Although the Town requires that financial security be provided for construction of public improvements in this subdivision, the Town may not have the financial, legal or practical ability to complete construction of public improvements in the event of a default by the responsible party. The Town regulations and the Subdivision Improvements Agreement address only municipally-owned utilities and therefore the provision of other public utilities such as electricity, natural gas and cable television are governed exclusively by separate contracts with such utilities over which the Town exercises no control.*

**Section 16. Default.** The following occurrences constitute a default of this Agreement:

- (a) failure to commence or complete construction of the Phase Improvements within the time periods prescribed in this Agreement;
- (b) failure to cure the defective construction or installation of any Phase Improvement within the applicable cure period;
- (c) failure to perform work on the Phase 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;
- (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 17. Town's Rights Upon Default.** When any event of default occurs and

has not been timely cured, the Town may:

- (a) if the applicable Phase 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 Property after an uncured default for the purpose of undertaking the Remedial Work, provided such right of entry shall irrevocably terminate when all Improvements are completed and accepted by Town;
- (b) if Phase Improvements have not been timely completed, withhold issuance of building permits;
- (d) 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
- (e) bring suit against the defaulting party for money damages and/or equitable relief for breach of the Agreement.

**Section 18. 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 Phase 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 Phase Improvements by the Town.

**Section 19. 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 20. 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 21. 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: Crystal Valley Ranch Development Co., LLC  
823 S. Perry Street, Suite 100  
Castle Rock, CO 80104

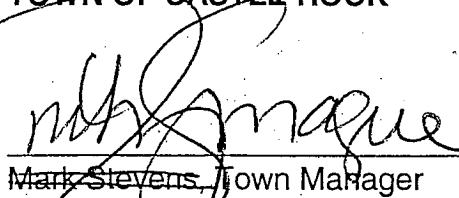
if to Town: Town of Castle Rock  
Attn: Town Attorney  
100 Wilcox Street  
Castle Rock, CO 80104

**Section 22. 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.

**Section 23. Immunity.** Nothing contained in this Agreement constitutes a waiver of the Town's sovereign immunity under any applicable state law.

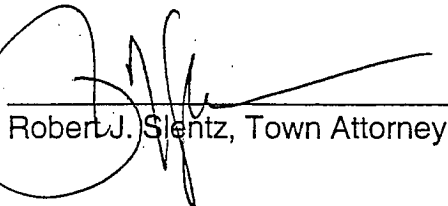
**Section 24. Third Party Consents.** Attached as **Exhibit 3** is the consent of the Districts and the 'Owners' under the Development Agreement to the changes to the Development Agreement effected by section 12.

~~TOWN OF CASTLE ROCK~~

  
\_\_\_\_\_  
Mark Stevens, Town Manager

Fritz Sprague, ASSISTANT

Approved as to form:

  
\_\_\_\_\_  
Robert J. Slentz, Town Attorney





*Paul R. Eakins*

PAUL R. EAKINS

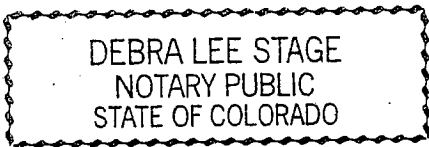
STATE OF COLORADO )

) ss.

COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 28 day of AUGUST, 2002, by Paul R. Eakins.

Witness my official hand and seal.  
My Commission expires: 06-27-06



My Commission Expires 06/27/2006

*Debra Lee Stage*  
Notary Public

*Gregory W. Brown*  
GREGORY W. BROWN

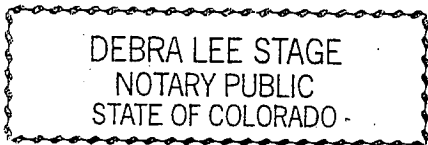
STATE OF COLORADO )

) ss.

COUNTY OF DOUGLAS )

The foregoing instrument was acknowledged before me this 28 day of AUGUST, 2002, by Gregory W. Brown.

Witness my official hand and seal.  
My Commission expires: 06-27-06



My Commission Expires 06/27/2006

*Debra Lee Stage*  
Notary Public

**MORTGAGEE JOINDER**

By execution of this Agreement, Mortgagee subordinates its lien and interest in the Property created by Deed of Trust recorded February 12, 2002 in Book 2262 at Page 226, to the real covenants and restrictions of this Agreement. Mortgagee shall have no affirmative obligation hereunder, nor shall Town have the right to seek performance of this Agreement from Mortgagee except in the event Mortgagee acquires legal title to the Property, in which event Mortgagee shall be bound by the terms, conditions and restrictions of this Agreement.

**MORTGAGEE:**

**MAPLE GROVE LAND LIMITED PARTNERSHIP,**

a Minnesota limited partnership.

By: James Development Company, general partner  
James L. Ostenson

Its: JLS

**STATE OF COLORADO** )  
 ) ss.  
**COUNTY OF DOUGLAS** )

The foregoing instrument was acknowledged before me this 28<sup>TH</sup> day of AUGUST, 2002 by JAMES L. OSTENSON as GENERAL PARTNER for Maple Grove Land Limited Partnership, a Minnesota limited partnership.

Witness my official hand and seal.  
My commission expires: 06-27-06

(SEAL)

Debra Lee Stage  
Notary Public

DEBRA LEE STAGE  
NOTARY PUBLIC  
STATE OF COLORADO  
My Commission Expires 06/27/2006





## EXHIBIT 1

PROPERTY DESCRIPTION - FILING NO. 1PARCEL 1 (PA-18 OF CRYSTAL VALLEY RANCH P.D.)

A PARCEL OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, THE EAST TERMINUS BEING THE SOUTHEAST CORNER OF SAID SECTION 23 AND MONUMENTED BY A FOUND 3 1/4" ALUMINUM CAP STAMPED "ARCHER AND ASSOC LS 6935". THE WEST TERMINUS BEING THE SOUTH QUARTER CORNER OF SAID SECTION 23 AND MONUMENTED BY A FOUND 2 1/2" ALUMINUM CAP STAMPED "ARCHER AND ASSOC LS 6935". THE BEARING BEING S 89°47'24" W PER ALTA/ACSM LAND TITLE SURVEY DEPOSITED WITH THE OFFICE OF THE RECORDER, COUNTY OF DOUGLAS AT RECEPTION NUMBER LSP-2682, WITH ALL OTHER BEARINGS CONTAINED HEREIN RELATIVE THERETO.

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 23; THENCE ALONG THE SOUTHERLY LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 23, S 89°47'24" W A DISTANCE OF 61.94 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID SOUTHERLY SECTION LINE, S 89°47'24" W A DISTANCE OF 2564.97 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 23;

THENCE ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 23, N 00°15'45" W A DISTANCE OF 1274.29 FEET TO A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 934.00 FEET, A CENTRAL ANGLE OF 23°01'34" AND ARC LENGTH OF 375.36 FEET, THE CHORD OF WHICH BEARS S 85°53'08" E A DISTANCE OF 372.84 FEET TO A POINT OF TANGENCY;

THENCE S 74°22'21" E A DISTANCE OF 320.36 FEET;

THENCE S 29°22'21" E A DISTANCE OF 39.60 FEET;

THENCE S 74°22'21" E A DISTANCE OF 82.00 FEET;

THENCE N 60°37'39" E A DISTANCE OF 39.60 FEET;

THENCE S 74°22'21" E A DISTANCE OF 90.72 FEET TO A POINT OF CURVATURE;

THENCE ALONG AN ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 1066.00 FEET, A CENTRAL ANGLE OF 55°07'40" AND ARC LENGTH OF 1025.66 FEET, THE CHORD OF WHICH BEARS N 78°03'49" E A DISTANCE OF 986.55 FEET TO A POINT OF TANGENCY;

THENCE N 50°29'59" E A DISTANCE OF 300.49 FEET;

THENCE S 43°44'06" E A DISTANCE OF 691.18 FEET;

THENCE S 00°16'38" W A DISTANCE OF 986.00 FEET TO THE POINT OF BEGINNING.

SAID PARCEL OF LAND CONTAINS 3,071,571 SQUARE FEET OR 70.51 ACRES, MORE OR LESS.

PARCEL 2 (PHASE 1 - PA-15W OF CRYSTAL VALLEY RANCH P.D.)

A PARCEL OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 23, THE SOUTHWEST QUARTER OF SECTION 24, AND THE NORTHWEST QUARTER OF SECTION 25, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN. THE EAST TERMINUS BEING THE SOUTHEAST CORNER OF SAID SECTION 23 AND MONUMENTED BY A FOUND 3 1/4" ALUMINUM CAP STAMPED "ARCHER AND ASSOC LS 6935". THE WEST TERMINUS BEING THE SOUTH QUARTER CORNER OF SAID SECTION 23 AND MONUMENTED BY A FOUND 2 1/2" ALUMINUM CAP STAMPED "ARCHER AND ASSOC LS 6935". THE BEARING BEING S 89°47'24" W PER ALTA/ACSM LAND TITLE SURVEY DEPOSITED WITH THE OFFICE OF THE RECORDER, COUNTY OF DOUGLAS AT RECEPTION NUMBER LSP-2682, WITH ALL OTHER BEARINGS CONTAINED HEREIN RELATIVE THERETO.

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 23;  
 THENCE ALONG THE SOUTHERLY LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 23, SOUTH 89°47'24" WEST A DISTANCE OF 61.94 FEET;  
 THENCE N 00°16'38" E A DISTANCE OF 986.00 FEET;  
 THENCE N 43°44'06" W A DISTANCE OF 691.18 FEET;  
 THENCE N 50°29'59" E A DISTANCE OF 221.76 FEET;  
 THENCE S 84°30'01" E A DISTANCE OF 39.60 FEET;  
 THENCE N 50°29'59" E A DISTANCE OF 82.00 FEET;  
 THENCE N 05°29'59" E A DISTANCE OF 39.60 FEET;  
 THENCE N 50°29'59" E A DISTANCE OF 432.71 FEET;  
 THENCE S 54°31'52" E A DISTANCE OF 219.50 FEET;  
 THENCE S 45°54'20" E A DISTANCE OF 167.20 FEET;  
 THENCE S 35°04'10" E A DISTANCE OF 144.33 FEET;  
 THENCE S 12°08'04" W A DISTANCE OF 64.95 FEET;  
 THENCE S 07°51'31" E A DISTANCE OF 77.70 FEET;  
 THENCE S 25°15'38" E A DISTANCE OF 234.66 FEET;  
 THENCE S 41°22'06" E A DISTANCE OF 174.42 FEET;  
 THENCE S 08°27'22" E A DISTANCE OF 176.89 FEET;  
 THENCE S 20°24'50" E A DISTANCE OF 235.33 FEET;  
 THENCE S 33°49'27" W A DISTANCE OF 96.19 FEET;  
 THENCE S 02°37'34" W A DISTANCE OF 113.14 FEET;  
 THENCE S 15°38'22" W A DISTANCE OF 173.67 FEET;  
 THENCE S 00°54'06" W A DISTANCE OF 152.27 FEET;  
 THENCE S 08°47'03" W A DISTANCE OF 241.35 FEET;  
 THENCE S 02°37'44" E A DISTANCE OF 132.05 FEET;  
 THENCE S 08°42'36" E A DISTANCE OF 58.22 FEET;  
 THENCE S 16°20'37" E A DISTANCE OF 113.42 FEET;  
 THENCE S 11°17'05" E A DISTANCE OF 183.74 FEET;  
 THENCE S 05°41'55" W A DISTANCE OF 165.60 FEET;  
 THENCE S 02°25'53" E A DISTANCE OF 137.94 FEET;  
 THENCE S 32°40'36" W A DISTANCE OF 167.79 FEET;  
 THENCE S 08°21'07" E A DISTANCE OF 134.78 FEET;  
 THENCE S 18°33'36" W A DISTANCE OF 51.51 FEET;  
 THENCE S 22°23'27" E A DISTANCE OF 169.83 FEET;  
 THENCE S 89°05'44" W A DISTANCE OF 663.34 FEET TO A POINT ON THE WESTERLY LINE OF THE NORTHWEST QUARTER OF SAID SECTION 25;  
 THENCE ALONG SAID WESTERLY LINE N 00°54'16" W A DISTANCE OF 1274.77 FEET TO THE POINT OF BEGINNING.

SAID PARCEL OF LAND CONTAINS 2,308,776 SQUARE FEET OR 53.00 ACRES, MORE OR LESS.

PARK AND SCHOOL SITE

A PARCEL OF LAND LOCATED IN THE NORTH HALF OF SECTION 24, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE WEST QUARTER CORNER OF SAID SECTION 24; THENCE N 89°37'34" EAST A DISTANCE OF 700.39 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY OF CRYSTAL VALLEY PARKWAY; THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY, N 50°29'59" E A DISTANCE OF 142.34 FEET TO THE POINT OF BEGINNING;

THENCE N 39°30'01" W A DISTANCE OF 123.66 FEET;  
 THENCE N 38°00'15" E A DISTANCE OF 86.40 FEET TO A POINT OF CURVATURE;  
 THENCE ALONG AN ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 571.00 FEET, A CENTRAL ANGLE OF 74°02'56" AND AN ARC LENGTH OF 737.96 FEET, THE CHORD OF WHICH BEARS N 00°58'47" E A DISTANCE OF 687.66 FEET TO A POINT OF TANGENCY;  
 THENCE N 36°02'40" W A DISTANCE OF 470.21 TO A POINT;  
 THENCE N 89°32'20" E A DISTANCE OF 2109.35 FEET TO A POINT; THENCE N 89°29'08" E A DISTANCE OF 394.65 FEET TO A POINT;  
 THENCE S 01°38'19" E A DISTANCE OF 885.68 FEET TO A POINT;  
 THENCE S 89°22'14" W A DISTANCE OF 394.66 FEET TO A POINT;  
 THENCE S 60°14'19" W A DISTANCE OF 227.43 FEET TO A POINT;  
 THENCE S 29°45'41" E A DISTANCE OF 159.78 FEET TO A POINT OF CURVATURE;  
 THENCE ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 230.00 FEET, A CENTRAL ANGLE OF 29°28'27" AND AN ARC LENGTH OF 118.32 FEET, THE CHORD OF WHICH BEARS S 15°01'27" E A DISTANCE OF 117.02 FEET TO A POINT OF TANGENCY;  
 THENCE S 00°17'14" E A DISTANCE OF 41.11 FEET TO A POINT ON SAID NORTHERLY RIGHT-OF-WAY OF CRYSTAL VALLEY PARKWAY;  
 THENCE S 89°42'46" W A DISTANCE OF 60.00 FEET;  
 THENCE S 48°56'32" W A DISTANCE OF 37.87 FEET TO A POINT OF NON-TANGENT CURVATURE;  
 THENCE ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 934.00 FEET, A CENTRAL ANGLE OF 17°41'45" AND AN ARC LENGTH OF 288.47 FEET, THE CHORD OF WHICH BEARS N 72°58'48" W A DISTANCE OF 287.32 FEET TO A POINT OF TANGENCY;  
 THENCE N 64°07'56" W A DISTANCE OF 278.06 FEET TO A POINT TO A POINT OF CURVATURE;  
 THENCE ALONG AN ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 1066.00 FEET, A CENTRAL ANGLE OF 33°30'34" AND AN ARC LENGTH OF 623.45 FEET, THE CHORD OF WHICH BEARS N 80°53'13" W A DISTANCE OF 614.60 FEET TO A POINT OF NON-TANGENCY;  
 THENCE N 54°38'34" W A DISTANCE OF 43.46 FEET TO A POINT;  
 THENCE S 78°54'33" W A DISTANCE OF 60.00 FEET;  
 THENCE S 32°56'18" W A DISTANCE OF 43.16 FEET TO A POINT OF NON-TANGENT CURVATURE;  
 THENCE ALONG AN ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 1066.00 FEET, A CENTRAL ANGLE OF 25°24'30" AND AN ARC LENGTH OF 472.73 FEET, THE CHORD OF WHICH BEARS S 63°12'14" W A DISTANCE OF 468.87 FEET TO A THE POINT OF BEGINNING.

SAID PARCEL OF LAND CONTAINS 2,390,396 SQUARE FEET, OR 54.88 ACRES, MORE OR LESS.

BEARINGS ARE BASED ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 8 SOUTH, RANGE 67 WEST, ASSUMED TO BEAR S 89°47'24" W.

CRYSTAL VALLEY PARKWAY

A PARCEL OF LAND LOCATED IN THE EAST HALF OF SECTION 23 AND SECTION 24, 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 NORTH-SOUTH CENTERLINE OF THE SAID SECTION 23. THE NORTH TERMINUS BEING A FOUND 2 1/2" ALUMINUM CAP AT THE CENTER QUARTER CORNER OF SAID SECTION 23. THE SOUTH TERMINUS BEING A FOUND 2 1/2" ALUMINUM CAP AT THE SOUTH QUARTER CORNER OF SAID SECTION 23. ASSUMED BEARING BEING, N 00°15'45" W;

COMMENCING AT THE SOUTH QUARTER CORNER OF SAID SECTION 23 THENCE N 00°15'45" W A DISTANCE OF 1274.29 FEET TO THE POINT OF BEGINNING;

THENCE N 00°15'45" W A DISTANCE OF 132.90 FEET TO A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1066.00 FEET, A CENTRAL ANGLE OF 22°08'19" AND AN ARC LENGTH OF 411.89 FEET, THE CHORD OF WHICH BEARS S 85°26'31" E A DISTANCE OF 409.34 FEET;

THENCE S 74°22'21" E A DISTANCE OF 549.07 FEET TO A POINT OF CURVATURE;

THENCE ALONG AN ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 934.00 FEET, A CENTRAL ANGLE OF 55°07'40" AND AN ARC LENGTH OF 898.66 FEET, THE CHORD OF WHICH BEARS N 78°03'49" E A DISTANCE OF 864.39 FEET TO A POINT OF TANGENCY;

THENCE N 50°29'59" E A DISTANCE OF 542.25 FEET TO A POINT;

THENCE N 05°29'59" E A DISTANCE OF 33.94 FEET TO A POINT;

THENCE N 50°29'59" E A DISTANCE OF 50.00 FEET;

THENCE S 84°30'01" E A DISTANCE OF 33.94 FEET TO A POINT;

THENCE N 50°29'59" E A DISTANCE OF 1501.58 FEET TO A POINT OF CURVATURE;

THENCE ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1066.00 FEET, A CENTRAL ANGLE OF 25°24'30" AND AN ARC LENGTH OF 472.73 FEET, THE CHORD OF WHICH BEARS N 63°12'14" E A DISTANCE OF 468.87 FEET TO A POINT OF NON-TANGENCY;

THENCE N 32°56'18" E A DISTANCE OF 43.16 FEET;

THENCE N 78°54'33" E A DISTANCE OF 60.00 FEET;

THENCE S 54°38'34" E A DISTANCE OF 43.46 FEET TO A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1066.00 FEET, A CENTRAL ANGLE OF 33°30'34" AND AN ARC LENGTH OF 623.45 FEET, THE CHORD OF WHICH BEARS S 80°53'13" E A DISTANCE OF 614.60 FEET TO A POINT OF TANGENCY;

THENCE S 64°07'56" E A DISTANCE OF 278.06 FEET TO A POINT OF CURVATURE;

THENCE ALONG AN ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 934.00 FEET, A CENTRAL ANGLE OF 17°41'45" AND AN ARC LENGTH OF 288.47 FEET, THE CHORD OF WHICH BEARS S 72°58'48" E A DISTANCE OF 287.32 FEET TO A POINT OF NON-TANGENCY;

THENCE N 48°56'32" E A DISTANCE OF 37.87 FEET;

THENCE N 89°42'46" E A DISTANCE OF 60.00 FEET;

THENCE S 49°31'01" E A DISTANCE OF 53.37 FEET TO A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG AN ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 934.00 FEET, A CENTRAL ANGLE OF 00°51'05" AND AN ARC LENGTH OF 13.88 FEET, THE CHORD OF WHICH BEARS S 89°47'47" E A DISTANCE OF 13.88 FEET TO A POINT OF TANGENCY;

CRYSTAL VALLEY PARKWAY (CONTINUED)

THENCE N 89°22'14" E A DISTANCE OF 1589.66 FEET TO A POINT OF CURVATURE;  
 THENCE ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1066.00 FEET, A CENTRAL ANGLE OF 25°11'50" AND AN ARC LENGTH OF 468.80 FEET, THE CHORD OF WHICH BEARS S 78°01'51" E A DISTANCE OF 465.03 FEET TO A POINT OF TANGENCY;  
 THENCE S 65°25'56" E A DISTANCE OF 215.16 FEET TO A POINT OF CURVATURE;  
 THENCE ALONG AN ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 934.00 FEET, A CENTRAL ANGLE OF 15°17'47" AND AN ARC LENGTH OF 249.35 FEET, THE CHORD OF WHICH BEARS S 73°04'50" E A DISTANCE OF 248.61 FEET TO A POINT OF NON-TANGENCY;  
 THENCE S 24°46'44" E A DISTANCE OF 155.08 FEET TO A POINT;  
 THENCE N 84°57'40" W A DISTANCE OF 8.18 FEET TO A POINT OF CURVATURE;  
 THENCE ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1066.00 FEET, A CENTRAL ANGLE OF 05°23'28" AND AN ARC LENGTH OF 100.30 FEET, THE CHORD OF WHICH BEARS N 82°15'56" W A DISTANCE OF 100.26 FEET TO A POINT OF NON-TANGENCY;  
 THENCE S 61°59'06" W A DISTANCE OF 51.07 FEET;  
 THENCE N 73°30'03" W A DISTANCE OF 70.83 FEET;  
 THENCE N 31°11'19" W A DISTANCE OF 44.85 FEET TO A POINT OF NON-TANGENT CURVATURE;  
 THENCE ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1066.00 FEET, A CENTRAL ANGLE OF 06°34'46" AND AN ARC LENGTH OF 122.41 FEET, THE CHORD OF WHICH BEARS N 68°43'19" W A DISTANCE OF 122.34 FEET TO A POINT OF TANGENCY;  
 THENCE N 65°25'56" W A DISTANCE OF 215.16 FEET TO A POINT OF CURVATURE;  
 THENCE ALONG AN ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 934.00 FEET, A CENTRAL ANGLE OF 25°11'50" AND AN ARC LENGTH OF 410.75 FEET, THE CHORD OF WHICH BEARS N 78°01'51" W A DISTANCE OF 407.45 FEET TO A POINT OF TANGENCY;  
 THENCE S 89°22'14" W A DISTANCE OF 522.56 FEET TO A POINT;  
 THENCE S 44°25'56" W A DISTANCE OF 55.10 FEET;  
 THENCE S 89°13'08" W A DISTANCE OF 60.00 FEET;  
 THENCE N 45°34'04" W A DISTANCE OF 55.21 FEET TO A POINT;  
 THENCE S 89°22'14" W A DISTANCE OF 924.18 FEET TO A POINT;  
 THENCE S 44°49'25" W A DISTANCE OF 42.34 FEET;  
 THENCE N 86°02'44" W A DISTANCE OF 120.33 FEET;  
 THENCE N 41°08'44" W A DISTANCE OF 45.38 FEET TO A POINT OF NON-TANGENT CURVATURE;  
 THENCE ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1066.00 FEET, A CENTRAL ANGLE OF 17°03'55" AND AN ARC LENGTH OF 317.50 FEET, THE CHORD OF WHICH BEARS N 72°39'54" W A DISTANCE OF 316.33 FEET TO A POINT OF TANGENCY;  
 THENCE N 64°07'56" W A DISTANCE OF 278.06 FEET TO A POINT OF CURVATURE;  
 THENCE ALONG AN ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 934.00 FEET, A CENTRAL ANGLE OF 33°03'27" AND AN ARC LENGTH OF 538.88 FEET, THE CHORD OF WHICH BEARS N 80°39'40" W A DISTANCE OF 531.44 FEET TO A POINT OF NON-TANGENCY;  
 THENCE S 35°31'34" W A DISTANCE OF 41.40 FEET;  
 THENCE S 10°50'15" E A DISTANCE OF 45.04 FEET;  
 THENCE S 79°07'34" W A DISTANCE OF 60.00 FEET;  
 THENCE N 10°50'15" W A DISTANCE OF 45.04 FEET;  
 THENCE N 57°14'05" W A DISTANCE OF 41.38 FEET TO A POINT OF NON-TANGENT CURVATURE;

CRYSTAL VALLEY PARKWAY (CONTINUED)

THENCE ALONG AN ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 934.00 FEET, A CENTRAL ANGLE OF 24°56'54" AND AN ARC LENGTH OF 406.69 FEET, THE CHORD OF WHICH BEARS S 62°58'26" W A DISTANCE OF 403.49 FEET TO A POINT OF TANGENCY;

THENCE S 50°29'59" W A DISTANCE OF 1481.58 FEET TO A POINT;

THENCE S 05°29'59" W A DISTANCE OF 39.60 FEET;

THENCE S 50°29'59" W A DISTANCE OF 82.00 FEET;

THENCE N 84°30'01" W A DISTANCE OF 39.60 FEET TO A POINT;

THENCE S 50°29'59" W A DISTANCE OF 522.25 FEET TO A POINT OF CURVATURE;

THENCE ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1066.00 FEET, A CENTRAL ANGLE OF 55°07'40" AND AN ARC LENGTH OF 1025.66 FEET, THE CHORD OF WHICH BEARS S 78°03'49" W A DISTANCE OF 986.55 FEET TO A POINT OF TANGENCY;

THENCE N 74°22'21" W A DISTANCE OF 90.72 FEET TO A POINT;

THENCE S 60°37'39" W A DISTANCE OF 39.60 FEET;

THENCE N 74°22'21" W A DISTANCE OF 82.00 FEET;

THENCE N 29°22'21" W A DISTANCE OF 39.60 FEET TO A POINT;

THENCE N 74°22'21" W A DISTANCE OF 320.36 FEET TO A POINT OF CURVATURE;

THENCE ALONG AN ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 934.00 FEET, A CENTRAL ANGLE OF 23°01'34" AND AN ARC LENGTH OF 375.36 FEET, THE CHORD OF WHICH BEARS N 85°53'08" W A DISTANCE OF 372.84 FEET TO THE POINT OF BEGINNING.

CONTAINING 1,150,318 SQUARE FEET OR 26.41 ACRES MORE OR LESS.

(EXEMPLAR – NOT FOR EXECUTION)

**EXHIBIT 2  
PUBLIC IMPROVEMENTS CONVEYANCE AND INITIAL ACCEPTANCE**

**TRANSFEROR:**

**TRANSFeree:** Town of Castle Rock, a municipal corporation ("Town")  
100 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 Founders Village Filing No. 15. 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 commencing on 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:

(EXEMPLAR – NOT FOR EXECUTION)

Water	_____
Wastewater	_____
Stormwater	_____
Streets	_____
Parks and recreation	_____
TOTAL	_____

5. Transferor concurrently submits to Town the surety attached as **Exhibit B** in the amount of 15% 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 \_\_\_\_\_, 200\_\_.

TOWN OF CASTLE ROCK

\_\_\_\_\_  
Engineering Division

EXHIBIT 3

CONSENT LETTER OF AGREEMENT TO A CHANGE IN THE DEVELOPMENT  
AGREEMENT

The undersigned persons and/or entities hereby consent to a change to the Development Agreement known as Amendment #1 (1<sup>st</sup> Amendment to Crystal Valley Ranch Development Agreement) and further agree to abide by all of the terms and conditions of said Amendment #1: As of August 28, 2002.

(The balance of this page was purposely left blank.)



WAYNE E. BROWN FAMILY L.L.C.,  
a Minnesota limited liability company.

By: [Signature]

Its: CHIEF MANAGER

STATE OF CO )  
) ss.  
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 28<sup>TH</sup> day of AUGUST, 2002 by WAYNE E. BROWN as CHIEF MGR. for Wayne E. Brown Family, LLC, a Minnesota limited liability company.

Witness my official hand and seal.  
My commission expires: 06-27-06



[Signature]  
Notary Public

My Commission Expires 06/27/2006  
CRYSTAL VALLEY RANCH DEVELOPMENT CO., LLC  
a Colorado limited liability company,

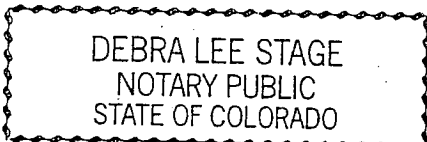
By: [Signature]

Its: MANAGER

STATE OF CO )  
) ss.  
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 28<sup>TH</sup> day of AUGUST, 2002 by JAMES L. OSTENSON as MANAGER for Crystal Valley Ranch Development Co., LLC, a Colorado limited liability company.

Witness my official hand and seal.  
My commission expires: 06-27-06



[Signature]  
Notary Public

My Commission Expires 06/27/2006



*Paul R. Eakins*

PAUL R. EAKINS

STATE OF COLORADO )

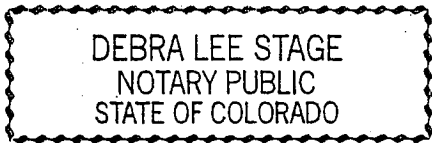
) ss.

COUNTY OF DOUGLAS )

The foregoing instrument was acknowledged before me this 28 day of AUGUST 2002, by Paul R. Eakins.

Witness my official hand and seal.

My Commission expires: 06-27-06



My Commission Expires 06/27/2006

*Debra Lee Stage*

Notary Public

*Gregory W. Brown*

GREGORY W. BROWN

STATE OF COLORADO )

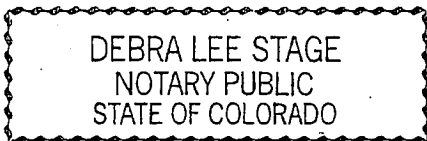
) ss.

COUNTY OF DOUGLAS )

The foregoing instrument was acknowledged before me this 28 day of AUGUST 2002, by Gregory W. Brown.

Witness my official hand and seal.

My Commission expires: 06-27-06



My Commission Expires 06/27/2006

*Debra L. Stage*

Notary Public

**SPECIAL  
POWER OF ATTORNEY**

1. Definitions. As used herein, the following terms shall have the following respective meanings:

(a) Principal: Wayne E. Brown, in his capacity as Manager of Wayne E. Brown Family L.L.C., a Minnesota limited liability company

(b) Attorney-in-Fact: Gregory W. Brown

(c) Property: The real property described as all Lots and Tracts in Crystal Valley Ranch Filing No. 1, County of Douglas, State of Colorado, and all rights, including water rights, appurtenant thereto.

(d) Additional Provisions:

(i) This Special Power of Attorney, unless sooner revoked in writing and delivered to the Attorney-in-Fact, shall be effective from the date hereof to and including November 29, 2002, at 5:00 p.m. (Denver, Colorado time), at which time it shall expire.

(ii) This Special Power of Attorney shall not be affected by the disability of the Principal. It is the specific intent of the Principal that the authority conferred hereby shall be exercisable notwithstanding the later disability or incapacity of the Principal or later uncertainty as to whether the Principal is dead or alive.

2. Appointment. The Principal hereby makes, constitutes and appoints the Attorney-in-Fact as its true and lawful attorney-in-fact for it and in its name, place and stead and on its behalf, and for its use and benefit, to have the full power and authority to execute any and all documents and related agreements and instruments of sale and conveyance of, or otherwise related to, the Property as fully as the Principal could if present, with full power of substitution and revocation, hereby ratifying and confirming any act that the Attorney-in-Fact shall lawfully do or cause to be done by virtue of this Special Power of Attorney. The foregoing authority shall include, without limitation, execution of any planning, zoning, subdivision or other related documents, any contract for sale, contract assignments, contract amendments, documents to effectuate a tax-free exchange of the Property or any portion thereof, any deeds, assignments and other instruments of conveyance, settlement sheets, loan documents or other documents related to the Property or any portion thereof.

3. Construction of Terms. When necessary for proper construction hereof, the singular of any word herein shall include the plural, the plural shall include the singular and the use of any gender shall be applicable to all genders.

4. Indemnification. The Principal hereby indemnifies and agrees to hold harmless the Attorney-in-Fact from any and all claims, costs and charges (including reasonable attorneys'



**SPECIAL  
POWER OF ATTORNEY**

1. Definitions. As used herein, the following terms shall have the following respective meanings:

(a) Principal: Richard A. Putnam

(b) Attorney-in-Fact: Allan J. Block

(c) Property: The real property described as all Lots and Tracts in Crystal Valley Ranch Filing No. 1, County of Douglas, State of Colorado, and all rights, including water rights, appurtenant thereto.

(d) Additional Provisions:

(i) This Special Power of Attorney, unless sooner revoked in writing and delivered to the Attorney-in-Fact, shall be effective from the date hereof to and including November 29, 2002, at 5:00 p.m. (Denver, Colorado time), at which time it shall expire.

(ii) This Special Power of Attorney shall not be affected by the disability of the Principal. It is the specific intent of the Principal that the authority conferred hereby shall be exercisable notwithstanding the later disability or incapacity of the Principal or later uncertainty as to whether the Principal is dead or alive.

2. Appointment. The Principal hereby makes, constitutes and appoints the Attorney-in-Fact as his true and lawful attorney-in-fact for him and in his name, place and stead and on his behalf, and for his use and benefit, to have the full power and authority to execute any and all documents and related agreements and instruments of sale and conveyance of, or otherwise related to, the Property as fully as the Principal could if present, with full power of substitution and revocation, hereby ratifying and confirming any act that the Attorney-in-Fact shall lawfully do or cause to be done by virtue of this Special Power of Attorney. The foregoing authority shall include, without limitation, execution of any planning, zoning, subdivision or other related documents, any contract for sale, contract assignments, contract amendments, documents to effectuate a tax-free exchange of the Property or any portion thereof, any deeds, assignments and other instruments of conveyance, settlement sheets, loan documents or other documents related to the Property or any portion thereof.

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