

**FOUNDERS VILLAGE FILING NO. 15  
SUBDIVISION IMPROVEMENTS AGREEMENT**

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15p

**DATE:** May 20, 2002

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

**ENGLE HOMES/COLORADO, INC.**, a Florida corporation, 7340 E.  
Caley Avenue, Suite 300, Englewood, Colorado 80111 (Subdivider).

**RECITALS:**

A. Subdivider desires to plat and subdivide certain property as Founders Village Filing No. 15 (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.

**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 Founders Village Filing No. 15 Subdivision Improvement Agreement.

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

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

**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, 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, more specifically described in the attached *Exhibit 2*, but excluding the 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.

**Preliminary Plat:** the Founders Village Filing No. 15 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 Founders Village Filing No. 15 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 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; 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, 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 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 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 3**. With 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 (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 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 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, to Subdivider.

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.

**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 promptly return to Subdivider any portion of the Landscape Deposit which remains after the Town has completed the Phase 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 Phase Landscaping warranty and Town's final acceptance of the Phase Landscaping.

*and*  
**Section 7. Water Supply.** Subdivider anticipates using 89 SFE on the Property, which includes 86 SFE for 86 single-family residences and 3 SFE as an estimate of the irrigation taps. Concurrently with and as a condition to recordation of this Agreement, Subdivider shall convey by special warranty deed, free and clear of all liens and encumbrances, the water rights underlying the Property, which under the Town Regulations results in a 36 SFE credit. Also, concurrently with and as a condition to recordation of this Agreement, Subdivider shall pay to Town the sum of \$145,750. representing cash-in-lieu of water rights under the Town Regulations for 53 SFE. In the event SFE in excess of the 3 SFE for irrigation taps are used on the Property, Subdivider will be required to pay the cash-in-lieu amount under the Town Regulations for such additional SFE. Conversely, if the irrigation SFE is less than the 3 SFE estimate, Town shall refund the excess cash-in-lieu payment to Subdivider.

**Section 8. Water and Wastewater Taps.** With construction of the applicable Phase Improvements and at its sole expense, Subdivider shall construct a waterline stub-out near the driveway entrance (as described in section 10, below) to Fire Station 153 (Station 153) on Sovereign Street and provide two sanitary sewer taps to service Station 153, both to be located on Cherry Street. Construction shall be in accordance with the Plans.

**Section 9. Fire Station 153 Access.** With construction of the Phase Improvements and at its sole expense, Subdivider shall construct a new driveway access to Station 153 and shall remove and replace all existing asphalt paving on both the east and west side of Station 153. Construction shall be in accordance with the Plans.

**Section 10. Cherry Street Construction.** With construction of the Phase Improvements and at its sole expense, Subdivider shall construct Cherry Street south of Sovereign Street in order to provide access to the park and school site, including, but not limited to curb, gutter, sidewalk, utilities and a temporary cul-de-sac bulb. Construction shall be in accordance with the Plans.

**Section 11. Public Land Dedication.** As a condition to recordation of this Agreement, Tract A of the Subdivision shall be conveyed to Town by special warranty deed, free and clear of any liens, encumbrances or assessments. 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 \$58,000 and pay the premium for the title insurance policy after conveyance. ✓ done

**Section 12. Storm Sewer and Water Quality Pond.** Subdivider shall construct a the stormwater drainage Facilities (Drainage Facilities) on Tracts A, C and G (Town Tracts) in accordance with the Plans. Maintenance of the Drainage Facilities will be the responsibility of the Founders Village Master Homeowners Association (Master Association) provided that in the event the Master Association elects not to accept this maintenance responsibility, Subdivider shall create a Founders Village Filing 15 Sub-Association (Sub-Association) to assume maintenance responsibilities of the obligations which Master Association elects not to accept. The Master Association (or Sub-Association) shall be responsible for the maintenance of all Drainage Facilities, including, but not limited to, inlets, pipes, culverts, channels, ditches, hydraulic structures, water quality ponds and detention basins located with the Town Tracts. Failure of the Master Association (or Sub-Association) to adequately maintain the Drainage Facilities shall constitute a breach of this Agreement. In the event of a uncured default, Town may perform the necessary maintenance of the Drainage Facilities, the cost of which Master Association (or Sub-Association) shall reimbursed to Town. Such costs shall include actual costs for labor, equipment, materials and a 15% fee pursuant to Town Regulations. Prior to and as a condition to initial acceptance by Town of the first Phase Improvements, Subdivider shall furnish Town with documentation that Master Association (or Sub-Association) has accepted responsibility and consented to the remedies afforded Town in the event of a default, under this section 12.

**Section 13. Sight Distance Improvements.** Subdivider shall be responsible for any modification to the Mikelson Boulevard median landscaping necessary to provide adequate sight distance at the intersection of Mikelson Boulevard and Sovereign Street, as required under the Town Regulations.

**Section 14. Signal Contribution.** Concurrently with and as a condition to recordation of this Agreement, Subdivider shall pay to Town \$20,000, which represents the pro-rata contribution towards the future traffic signal at the intersection of Enderud and Mikelson Boulevard. Such contribution shall relieve Subdivider of any further obligation toward the signal construction.

**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 Founders Village Filing No. 15 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;
- (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:

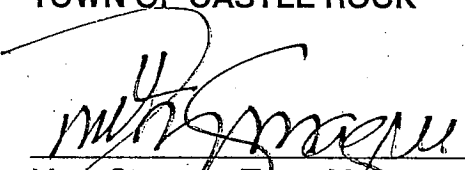
if to Subdivider: Engle Homes of Colorado, Inc.  
7340 E. Caley Avenue, Suite 300  
Englewood, CO 80111

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

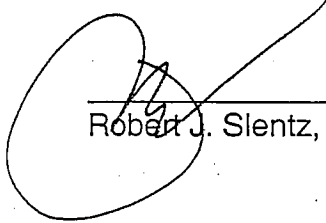
**Section 22. Recordation and Binding Effect.** This Agreement shall be recorded with the Clerk and Recorder's Office of Douglas County, Colorado and shall be binding upon the assigns, successors, and grantees of Subdivider in the same manner as if such third parties were signatories to this Agreement.

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

**TOWN OF CASTLE ROCK**

  
\_\_\_\_\_  
Mark Stevens, Town Manager  
FRITZ SPRAGUE, ACTING


Approved as to form:

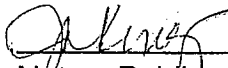
  
\_\_\_\_\_  
Robert J. Slentz, Town Attorney

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

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of MAY, 2002, by ~~Mark Stevens~~ as Town Manager the Town of Castle Rock.


FRITZ SPRAGUE ACTING  
Witness my official hand and seal.  
My Commission expires: 9-21-03.

(SEAL) 

  
\_\_\_\_\_  
Notary Public

SUBDIVIDER:

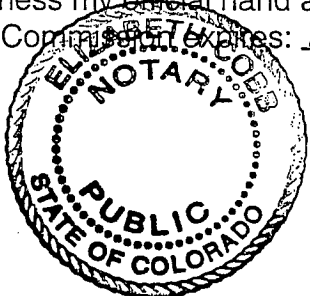
ENGLE HOMES/COLORADO, INC.

By:   
Its: PRESIDENT

STATE OF COLORADO )  
 )  
 ) ss.  
COUNTY OF )

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of MAY, 2002, by J. ERIC ECKHARDT as PRESIDENT for Engle Homes/Colorado, Inc.

Witness my official hand and seal.  
My Commission expires: 8-25-04.



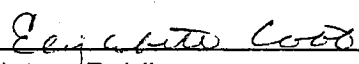
  
\_\_\_\_\_  
Notary Public

EXHIBIT 1

**PROPERTY DESCRIPTION:**

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 8, TOWNSHIP 8 SOUTH, RANGE 66 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 SOUTH QUARTER CORNER OF SAID SECTION 8; THENCE NORTH 87°38'38" WEST 483.19 FEET TO A POINT ON THE SOUTHERLY BOUNDARY LINE OF TRACT G AND A POINT ON THE WESTERLY LINE OF A PUBLIC SERVICE COMPANY EASEMENT RECORDED IN BOOK 159 AT PAGE 129 AND BOOK 156 AT PAGE 247 OF THE RECORDS OF SAID DOUGLAS COUNTY AND THE TRUE POINT OF BEGINNING;

THENCE NORTH 24°42'24" WEST 2496.40 FEET ALONG THE WESTERLY BOUNDARY LINE OF SAID PUBLIC SERVICE EASEMENT AND THE EASTERLY BOUNDARY LINE OF FOUNDERS VILLAGE FILING NO. 3 AS RECORDED AT RECEPTION NO. 362518 OF THE RECORDS OF DOUGLAS COUNTY; THENCE LEAVING SAID FOUNDERS VILLAGE FILING NO. 3 NORTH 65°17'54" EAST 197.21 FEET; THENCE NORTH 89°57'09" EAST 168.04 FEET TO A POINT ON THE SOUTHERLY BOUNDARY LINE OF FOUNDERS VILLAGE FILING NO. 4 AS RECORDED AT RECEPTION NO. 8619237 OF THE DOUGLAS COUNTY RECORDS; THENCE CONTINUING ALONG THE SAID SOUTHERLY BOUNDARY NORTH 58°26'20" EAST 124.34 FEET; THENCE NORTH 89°57'09" EAST 1027.24 FEET ALONG THE SOUTHERLY BOUNDARY LINE OF SAID FOUNDERS VILLAGE NO. 4 AND THE SOUTHERLY BOUNDARY LINE OF FOUNDERS VILLAGE FILING NO. 8A AS RECORDED AT RECEPTION NO. 9438487 IN THE DOUGLAS COUNTY RECORDS TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF MIKELSON BOULEVARD AND THE WESTERLY BOUNDARY OF FOUNDERS VILLAGE FILING NO. 11 AS RECORDED AT RECEPTION NO. 8702940 IN THE DOUGLAS COUNTY RECORDS; THENCE CONTINUING ALONG THE WESTERLY RIGHT-OF-WAY OF SAID MIKELSON BOULEVARD ALONG THE ARC OF A CURVE TO THE LEFT 365.98 FEET THROUGH A CENTRAL ANGLE OF 33°57'29" HAVING A RADIUS OF 617.50 FEET AND A CHORD BEARING SOUTH 17°04'15" EAST 360.65 FEET; THENCE CONTINUING ALONG SAID WESTERLY RIGHT-OF-WAY OF SAID MIKELSON BOULEVARD ALONG THE ARC OF A CURVE TO THE LEFT 273.51 FEET THROUGH A CENTRAL ANGLE OF 25°22'42" HAVING A RADIUS OF 617.50 FEET AND A CHORD BEARING SOUTH 46°44'24" EAST 271.28 FEET TO A POINT OF TANGENT; THENCE SOUTH 59°26'46" EAST 457.24 FEET; THENCE LEAVING SAID RIGHT-OF-WAY OF MIKELSON BOULEVARD SOUTH 27°26'50" WEST 378.28 FEET; THENCE SOUTH 27°32'21" WEST 68.26 FEET; THENCE SOUTH 28°05'52" WEST 461.22 FEET; THENCE SOUTH 36°21'56" WEST 612.19 FEET; THENCE SOUTH 44°15'12" WEST 498.70 FEET TO THE TRUE POINT OF BEGINNING;

BEARINGS ARE BASED ON THE WEST LINE OF THE SOUTH ½ OF THE SOUTHEAST ¼ OF SECTION 8 BEARING NORTH 00°18'19" WEST.

SAID PARCEL OF LAND CONTAINS 2,865,883 SQUARE FEET OR 65.792 ACRES.



(EXEMPLAR – NOT FOR EXECUTION)

EXHIBIT 3  
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