

FOUNDERS VILLAGE FILING NO. 25  
SUBDIVISION IMPROVEMENTS AGREEMENT

DATE: November 13, 2015.

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

HERITAGE COMMONS 67, LLC, a Colorado limited liability  
company, 514 Pike Street, Canon City, CO 81212 ("Subdivider").

MORTGAGEE: SDM/ADM, L.L.C.

RECITALS:

A. Subdivider desires to plat and subdivide certain property as the Founders Village Filing No. 25 subdivision ("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 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 Town makes no representation 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. 25 Subdivision Improvements Agreement.

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

**Development Agreement:** the Annexation Contract Villages at Castle Rock dated August 4, 1981, recorded in the Records August 11, 1981, beginning in Book 419 at Page 88, as amended by First Amendment to Annexation Contract Villages at Castle Rock Annexation, recorded in the Records August 12, 1985, beginning in Book 589 at Page 589; Second Amendment to Annexation Contract Villages at Castle Rock Annexation, recorded in Records January 29, 1987, beginning in Book 697 at Page 629; Third Amendment to Annexation Contract Villages at Castle Rock Annexation, recorded in the Records May 27, 1987, beginning in Book 723 at Page 464; and Fourth Amendment to Annexation Contract recorded January 21, 1988, beginning in Book 772 at Page 0090.

**Development Exactions:** the fees and charges imposed by Town under the Town Regulations on development, including the Development Impact and System Development Fees.

**Development Impact Fees:** the fees currently imposed under Chapter 3.16 of the Code.

**Director:** the Director of Development Services, or designee.

**Improvements:** the water, wastewater, storm water drainage, transportation, 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, streetscapes, or tracts as prescribed in the Site Development Plan, including any landscaping guidelines.

**Open Space Agreement:** the Open Space Agreement between the Town of Castle Rock, DSSD Limited Liability Company, and Castle Canyon Townhomes, LLC, recorded in the Records on February 3, 2004 at Reception No. 2004012544.

**Phase:** a contiguous geographical area of the Subdivision so designated a specific Phasing Plan submitted to and approved by the Town (or, if applicable, a sub-phase).

**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 construction drawings approved concurrently with the Plat and related documents.

**Plat:** the final subdivision plat for the Subdivision as 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.

**Site Development Plan:** a site development plan for any portion of the Subdivision as approved by the Town.

**System Development Fees:** the capital recovery charges for water and wastewater plant and stormwater and renewable water fees imposed under the Code.

**Subdivision:** the Founders Village Filing No. 25 subdivision.

**Town Regulations:** the Code, inclusive of the Town technical design criteria manuals, 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 Regulations. The Improvements may be constructed by Phase, in accordance with the applicable Phasing Plan, if any. If so approved by the Director, a sub-Phasing Plan may be implemented such that Phase Improvements are developed only as necessary to service specific sub-Phases.

In the event Subdivider has not obtained all necessary Town permits and approvals and commenced construction of at least one of the Phases within one year of the date of recordation of this Agreement, the Town's authorization under this Agreement 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 the Improvements for the Subdivision; provided that Subdivider shall not be required to resubmit a land use application for the Subdivision.

Phase Improvements must be completed no later than one year after the date of issuance of the first construction permit for such Phase, provided that the completion date may be extended by the Director for up to 6 months if justified due to adverse weather, material unavailability, or other unanticipated and unavoidable circumstances beyond the control of Subdivider, as determined by the Director.

**Section 3. Restrictions Pending Completion of Improvements.** No Phase shall qualify for building permits 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 Phase shall qualify for certificates of occupancy unless the Phase Improvements have been initially 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. In no event shall the Director authorize the issuance of a building permit unless there is adequate emergency access to the site and the water system is completed sufficiently to provide adequate fire flows for fire protection.

**Section 4. Acceptance of Improvements.** Upon substantial completion of the Phase Improvements, Subdivider may request inspection. Town shall make inspection within 5 working days of the date Subdivider requests final inspection, and Town shall notify Subdivider of non-conforming work within 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 record drawings and initial acceptance of the Improvements by Town, Subdivider shall promptly convey its interest in the Phase Improvements by document in the form attached as *Exhibit 2*. With conveyance of the Improvements and receipt of the warranty surety, the applicable warranty period commences.

**Section 5. Improvements Security.** In accordance with the Town Regulation, in order to assure timely completion of construction of the Improvements, Subdivider shall provide Town with a letter of credit, cash escrow deposit or performance bond (the "Security"). The form of the Security is subject to approval by the Town Attorney. The amount of the Security shall be dependent on the form of Security provided, calculated in accordance with the Town Regulations. The Security shall be irrevocable for a period or term extending 60 days beyond the Completion Date. "Completion Date" shall mean the date the Town gives initial acceptance for the Improvements. Security which has a term expiring on or before 60 days after the Completion Date shall contain a provision that unless renewed or

substitute Security is provided, prior to its expiration date, it may be called by the Town for lack of adequate Security.

The purpose of the Security is to provide Town with the financial resources to mitigate any public health and safety hazards and/or re-grade and re-vegetate the Subdivision and/or complete construction or installation of any of the Phase Improvements, should Subdivider default in its obligation to complete the Phase Improvements (the "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.

**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 100% 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. The water demand for development of the Property is estimated to be 68 SFE ("Filing 25 Water Demand"). The Filing 25 Water Demand shall be satisfied as follows:

- A. 55 SFE from the DSSD Water Bank (which is inclusive of the conveyance set forth in Section 8, below);
- B. 13 SFE from the Enderud Water Bank; and

To the extent that the water demand created by development on the Property (computed in accordance with Town Regulations), exceeds the Filing 25 Water Demand, Subdivider must pay additional cash in lieu computed in accordance with Town Regulations sufficient to meet the demand in excess of the initial Filing 25 Water Demand calculation.

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, that will create an aggregate water demand in excess of the Filing 25 Water Demand calculation (as the same may be subsequently augmented in accordance with this section). Should the Filing 25 Water Demand not be fully utilized after full development of the Subdivision, the remaining SFE shall revert to the DSSD Water Bank.

**Section 8. Water Rights Conveyance.** Prior to and as a condition to recordation of this Agreement, Subdivider shall convey to Town:

A. By special warranty deed, free and clear of all liens and encumbrances, marketable title to the rights and interest in the Denver Basin ground water adjudicated in Case No. 95CW182 underlying the Property ("Water Rights"). Subdivider shall provide Town with an opinion from a qualified Colorado attorney that Subdivider owns the Water Rights and that upon recordation of the special warranty deed conveying the Water Rights to the Town, Town will have good and marketable title to the Water Rights, free of liens, encumbrances or other title defects. Post-conveyance, Owner shall execute such further reasonable and additional instruments of conveyance and other documents which Town reasonably determines necessary to grant to the Town the exclusive ownership, management and control of the Water Rights. Upon conveyance of the Water Rights, the DSSD Water Bank shall receive a credit of 26 SFE, however, should it be determined that marketable title to any portion of the Water Rights did not vest in the Town with the conveyance of same, the credit of 26 SFE shall be reduced accordingly.

B. By quitclaim deed, free and clear of all liens and encumbrances, marketable title to the rights and interest to: (i) the unadjudicated groundwater underlying the property known as "Old Enderud Road", more particularly described in the attached *Exhibit 3*, and (ii) any interest Subdivider may have in the Denver Basin ground water ground water underlying any portion of the Property adjudicated in Case Nos. 79CW364, 85CW271 and 85CW272.

**Section 9. Water Efficiency Plans.** In an effort to meet the long-term renewable water needs of the Town, developments are encouraged to establish water efficiency plans for development within the Town. In order to maximize the use of the Water Credit established in the Water Banks, Subdivider, in its sole discretion, may submit a water efficiency plan in accordance with Town Regulations.

**Section 10. Public Land Dedication.** In order to satisfy the Public Land dedication requirement for the Subdivision, as a condition to recordation of this Agreement, Subdivider shall convey to Town, at no cost to Town, Tracts A, B and C. Such conveyance to Town by special warranty deed, subject to matters of record but free and clear of liens, or other title impediments that would preclude Town from utilizing the property for its intended purposes, as reasonably determined by Town. Unless otherwise provided in the Town Regulations to the contrary, the grantor shall furnish the Town with a policy of title insurance, issued by a title company licensed to do business in the State of Colorado, in the amount of \$10,000 per acre. If so requested by Town or required by the Town Regulations, Subdivider shall complete a Phase 1 environmental audit of all Public Lands prior to conveyance and acceptance by Town, and shall be solely responsible for any remedial environmental measures of hazards identified in the audit.

**Section 11. Heritage Avenue Recoupment.** It has been determined that the Cambridge Heights PD will benefit from certain improvements made to Heritage Avenue by Subdivider as part of the Improvements ("Heritage Avenue Improvements"). Concurrently with the first Plat in the Cambridge Heights PD, Town shall make best efforts to obtain reimbursement on behalf of Subdivider from the Cambridge Heights developer for its proportionate share of the Heritage Avenue Improvements.

**Section 12. Water Conservation Regulations.** The landscaping of the Property shall conform to the Town's adopted water conservation requirements in effect at the time of the building permit application.

**Section 13. Application of Development Agreement.** The Development Agreement may contain certain other conditions and requirements which apply to the development of the Property. The enumeration in this Agreement of certain of obligations triggered under the phasing plan of the Development Agreement is not inclusive of all such obligations. In the event of a conflict between the Development Agreement and this Agreement, the Development Agreement shall govern and control.

**Section 14. Default by Subdivider.** The follow occurrences constitute a default by the Subdivider:

- (a) failure to commence or complete construction of the Phase Improvements within the time periods prescribed in Section 3, above;
- (b) failure to cure the defective construction of any Phase Improvements within the applicable cure period;
- (c) 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 thirty (30) calendar days from the receipt of such notice to cure the default. If timely cure of the noticed default(s) is not accomplished, Town shall thereafter be entitled to pursue its remedies against Subdivider.

**Section 15. 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 Subdivision 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, certificates of occupancy and tap connections for which the Improvements have not been completed or accepted;
- (c) record a notice of non-compliance with this Agreement in the Records to provide record notice of Subdivider's default, which notice shall promptly be released by Town upon cure of the default; and
- (d) bring suit against Subdivider for money damages and/or equitable relief for breach of this Agreement.

**Section 16. Default by Town.** Failure of Town to perform any covenant, agreement, or obligation of this Agreement constitutes an event of default under this Agreement. Subdivider shall first notify the Town in writing of such default, and specify the exact nature of the default in such notice. The Town party shall have twenty (20) business days from receipt of such notice within which to cure such default before the non-defaulting party may exercise any of its legal remedies.

**Section 17. Indemnification.** Subdivider indemnifies and holds 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 construction or repair of the Improvements by Subdivider.

**Section 18. 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 approval of any wrongful act by the Subdivider or the acceptance of any Improvement.

**Section 19. 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 20. 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 Town:	Town of Castle Rock Attn: Town Attorney 100 Wilcox Street Castle Rock, CO 80104
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If to Subdivider:      **Heritage Commons 67, LLC**  
                                  **514 Pike Street**  
                                  **Canon City, CO 81212**

**Section 21. 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 in the same manner as if such third parties were signatories to this Agreement.

**Section 22. Immunity.** Nothing contained in this Agreement constitutes a waiver of the Town's sovereign immunity under any applicable state law.

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**Unofficial Copy**

ATTEST:

TOWN OF CASTLE ROCK

Sally A. Misare  
Sally A. Misare, Town Clerk

David L. Corliss  
David L. Corliss, Town Manager

Approved as to form:

Robert J. Slentz  
Robert J. Slentz, Town Attorney

STATE OF Colorado )  
COUNTY OF Douglas ) ss.

The foregoing instrument was acknowledged before me this 13<sup>th</sup> day of November, 2015 by Sally A. Misare as Town Clerk and David L. Corliss as Town Manager for the Town of Castle Rock, Colorado.

Witness my official hand and seal.  
My commission expires: 9-21-2019.

(SEAL)

Jennifer L. King  
Notary Public

JENNIFER L. KING  
NOTARY PUBLIC  
STATE OF COLORADO  
Notary ID: 19954015016  
My Commission Expires: September 21, 2019

Official Copy





## EXHIBIT 1

A PARCEL OF LAND BEING A PORTION OF THE NORTHEAST QUARTER OF SECTION 7 AND THE NORTHWEST QUARTER OF SECTION 8, TOWNSHIP 8 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, IN THE TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF FOUNDERS VILLAGE FILING NO. 16 AS RECORDED UNDER RECEPTION NO. 9440041 IN THE RECORDS OF THE DOUGLAS COUNTY CLERK AND RECORDER; THENCE SOUTH 50 DEGREES 46 MINUTES 06 SECONDS EAST ALONG THE SOUTHERLY BOUNDARY AND THE SOUTHEASTERLY PROLONGATION OF SAID FOUNDERS VILLAGE FILING NO. 16, WITH ALL BEARINGS MADE AS A REFERENCE HEREBON, 412.23 FEET TO THE WESTERLY BOUNDARY OF VILLAGES AT CASTLE ROCK FOUNDERS VILLAGE FILING NO. 2 AS RECORDED UNDER RECEPTION NO. 390812 OF SAID DOUGLAS COUNTY RECORDS; THENCE ALONG SAID WESTERLY BOUNDARY, SOUTH 00 DEGREES 54 MINUTES 37 SECONDS WEST 1007.75 FEET TO THE NORTHERLY BOUNDARY OF TRACT A OF VILLAGES AT CASTLE ROCK, FILING NO. 3 AS RECORDED UNDER RECEPTION NO. 362211 OF SAID DOUGLAS COUNTY RECORDS; THENCE ALONG SAID NORTHERLY BOUNDARY, NORTH 80 DEGREES 05 MINUTES 23 SECONDS WEST 1050.00 FEET; THENCE DEPARTING SAID SOUTHERLY BOUNDARY, NORTH 00 DEGREES 50 MINUTES 04 SECONDS EAST 200.00 FEET; THENCE NORTH 50 DEGREES 45 MINUTES 27 SECONDS WEST 200.27 FEET TO THE SOUTHEASTERLY RIGHT-OF-WAY OF HERITAGE AVENUE AS PLATTED ON FOUNDERS VILLAGE FILING NO. 16 AS RECORDED UNDER RECEPTION NO. 8894056 OF SAID DOUGLAS COUNTY RECORDS; THENCE ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY THE FOLLOWING FIVE (5) COURSES:

1. NORTH 30 DEGREES 14 MINUTES 33 SECONDS EAST 50.20 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 820.00 FEET;
2. NORTHEASTERLY ALONG SAID CURVE 200.22 FEET THROUGH A CENTRAL ANGLE OF 18 DEGREES 40 MINUTES 41 SECONDS;
3. TANGENT TO SAID CURVE, NORTH 00 DEGREES 03 MINUTES 14 SECONDS EAST 643.14 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 700.00 FEET;
4. NORTHWESTERLY ALONG SAID CURVE 250.53 FEET THROUGH A CENTRAL ANGLE OF 18 DEGREES 50 MINUTES 30 SECONDS;
5. TANGENT TO SAID CURVE, NORTH 30 DEGREES 12 MINUTES 30 SECONDS EAST 63.05 FEET TO THE POINT OF BEGINNING.

(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 the Founders Village Filing No. 25 subdivision. 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 in Title 15 of the Town's Municipal Code 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:

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 \_\_\_\_\_, 20\_\_.

TOWN OF CASTLE ROCK

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

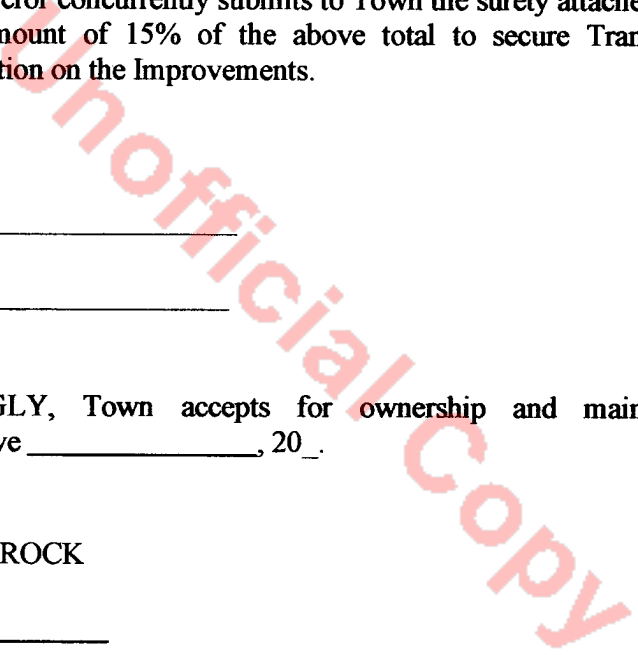


EXHIBIT 3

# Exhibit 1

## LEGAL DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 8, TOWNSHIP 8 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, IN THE TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 8; THENCE SOUTH 00°54'37" WEST ALONG THE WESTERLY LINE OF SAID NORTHWEST QUARTER, WITH ALL BEARINGS MADE AS A REFERENCE HEREON, 983.93 FEET TO THE POINT OF BEGINNING, SAID POINT LYING ON THE VACATED NORTHERLY RIGHT-OF-WAY OF OLD ENDERUD ROAD, ALSO KNOWN AS DOUGLAS COUNTY ROAD NO. 2;

THENCE ALONG SAID VACATED NORTHERLY RIGHT-OF-WAY, NORTH 30°13'45" EAST 638.35 FEET TO THE SOUTHERLY RIGHT-OF-WAY OF HERITAGE AVENUE AS DEDICATED PER PLAT OF FOUNDERS VILLAGE FILING NO. 10 RECORDED IN THE RECORDS OF THE DOUGLAS COUNTY CLERK AND RECORDER;

THENCE DEPARTING SAID VACATED NORTHERLY RIGHT-OF-WAY AND ALONG SAID SOUTHERLY RIGHT-OF-WAY THE FOLLOWING TWO (2) COURSES:

1. NORTH 49°03'14" EAST 49.88 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 780.00 FEET;
2. NORTHEASTERLY ALONG SAID CURVE 254.49 FEET THROUGH A CENTRAL ANGLE OF 18°41'39";

THENCE DEPARTING SAID SOUTHERLY RIGHT-OF-WAY, NON-TANGENT TO SAID CURVE, SOUTH 59°45'02" EAST 2.21 FEET TO THE VACATED SOUTHERLY RIGHT-OF-WAY OF SAID OLD ENDERUD ROAD;

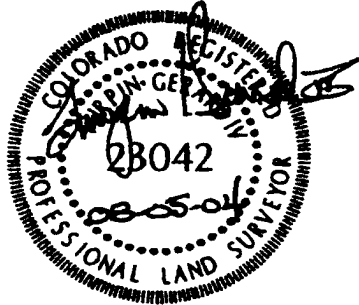
THENCE ALONG SAID VACATED SOUTHERLY RIGHT-OF-WAY THE FOLLOWING TWO (2) COURSES:

1. SOUTH 30°35'00" WEST 373.22 FEET;
2. SOUTH 32°56'50" WEST 613.86 FEET TO SAID WESTERLY LINE OF THE NORTHWEST QUARTER OF SECTION 8;

THENCE DEPARTING SAID VACATED SOUTHERLY RIGHT-OF-WAY AND ALONG SAID WESTERLY LINE, NORTH 00°54'37" EAST 58.41 FEET TO THE POINT OF BEGINNING.

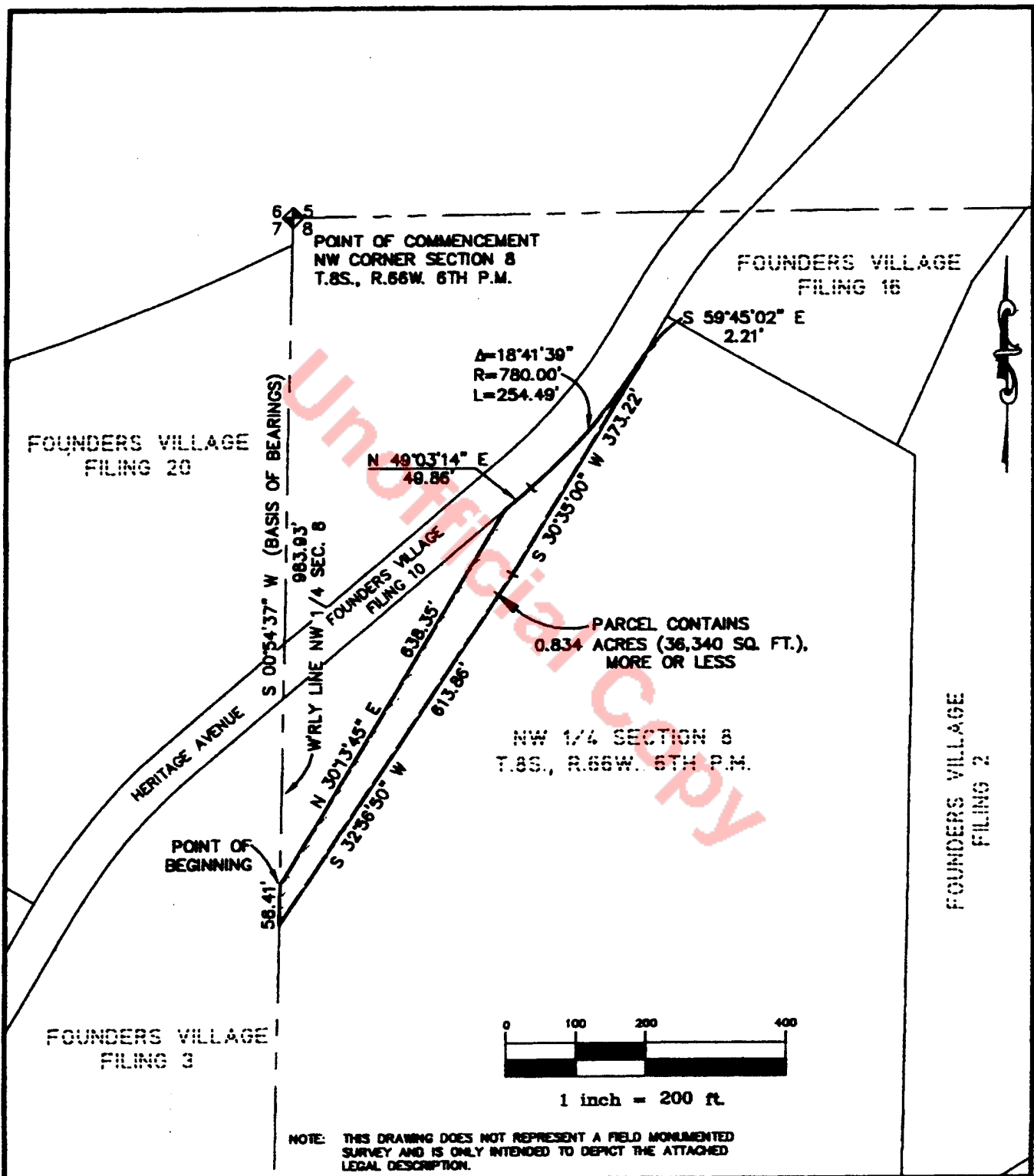
CONTAINING 0.834 ACRES (36,340 SQ. FT.), MORE OR LESS.

EXHIBIT ATTACHED AND MADE A PART HEREOF.



TURPIN GERARD IV  
COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR P.L.S. 23042  
FOR AND ON BEHALF OF AZTEC CONSULTANTS, INC.

EXHIBIT 3



PART: P.15003-02/0016  
 DWG NAME: AMBATIONE/016  
 DATE: 08-05-2004  
 SCALE: 1" = 200'



**Aztec CONSULTANTS, Inc.**  
 6000 South Lincoln Street, Unit 8  
 Littleton, Colorado 80122  
 Phone: (303)750-0200 Fax: (303)750-0207

**VACATION PARCEL**  
 NW 1/4 S.8, T.8S., R.66W. 6TH P.M.  
 DOUGLAS COUNTY, COLORADO  
 JOB NUMBER 21903-02-01 2 OF 2 SHEETS