

**LANTERNS FILING NO. 5
SUBDIVISION IMPROVEMENTS AGREEMENT**

DATE: 11/19/2020, 2020.

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

LANTERNS CFC LLC, a Colorado limited liability company,
LANTERNS KDC LLC, a Colorado limited liability company, and
LANTERNS SLC LLC, a Colorado limited liability company,
LANTERNS RLC LLC, a Colorado limited liability company,
12460 1st Street, P.O. Box 247, Eastlake, Colorado 80614-0247, and
TOLL SOUTHWEST, LLC, a Delaware limited liability
company, 10 Inverness Drive East, Englewood, Colorado 80112
SPEER EQUITIES LLC, a Colorado limited liability company,
CC ERIE FARMS LLC, a Colorado limited liability company,
SC ERIE FARMS LLC, a Colorado limited liability company,
KC ERIE FARMS LLC, a Colorado limited liability company,
(collectively, “Subdivider”).

RECITALS:

A. Subdivider desires to plat certain property as the Lanterns Filing No. 5 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 Lanterns Filing No. 5 Subdivision Improvements Agreement.

Code: the Castle Rock Municipal Code, as amended.

Development Agreement: the Lanterns Amended and Restated Development Agreement dated October 31, 2014, recorded in the Records on December 8, 2014 at Reception No. 2014071296.

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, but excluding landscaping on lots.

Lanterns PD: the Lanterns PDP, 3rd Amendment recorded in the Records on December 8, 2014 at Reception No. 2014071295.

Plans: the description of the Improvements on the construction drawings approved concurrently with the Plat or Site Development Plan 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 fees and charges imposed under Title 13 of the Code as a condition to connection to the Town's water, wastewater, and stormwater drainage systems

Subdivision: the Lanterns Filing No. 5 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 unless otherwise specified.

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 in phases pursuant to a Town-approved phasing plan. If Improvements are constructed in phases, the following provisions of this Section 2 and Sections 3,4, 5 and 6 shall be applied to the Improvements constructed for the particular phase.

In the event Subdivider has not obtained all necessary Town permits and approvals and commenced construction of the initial Improvements 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.

Improvements must be completed not later than one year after the date of issuance of the first construction 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. Subdivider may develop the Property and construct the Improvements in phases as approved by the Town, and such acceptance, release of Security and issuance of building permits and certificates of occupancy shall be addresses on a phase by phase basis.

Section 3. Restrictions Pending Completion of Improvements. The Property shall not qualify for building permits until the Improvements are substantially completed, except when authorized by the Director, as further provided in this section. Substantial completion occurs when the Improvement is functional and operable in all material respects, although not completed to the standard required for formal acceptance by the Town for operation and maintenance. Additional qualifications for building permits are addressed in Section 12.

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 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.

The Property shall not qualify for certificates of occupancy unless the Improvements have been initially accepted by the Town as provided in Section 4, provided however, the Director may authorize the issuance of certificates of occupancy for model homes prior to such initial acceptance of the Improvements, and the Director may attach conditions to occupancy of such model homes in the furtherance of the public health and safety.

Section 4. Acceptance of Improvements. Upon substantial completion of the 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 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 Town Regulations, Subdivider shall provide Town with a letter of credit, cash escrow deposit or performance bond to secure construction of the Improvements. The amount of the Security shall be dependent on the form of Security provided, calculated in accordance with the Town Regulations ("Security"). The form of the Security is subject to approval by the Town Attorney. 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 Security shall be delivered to Town prior to and as a condition of the issuance of the first public works permit. The warranty portion of the Security shall be released as authorized in the Town Regulations.

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 Improvements, should Subdivider default in its obligation to complete the Improvements (the "Remedial Work"). The Town retains the

absolute discretion to determine what Remedial Work, if any is undertaken by Town on the Improvements, in the event of such default. Any portion of the Security not utilized in the Remedial Work shall be returned to the obligor on the Security, or to Subdivider in the event a letter of credit or cash escrow is furnished by Subdivider.

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

Section 6. Landscaping.

A. Landscaping is required in connection with the Improvements and in connection with the private improvements on the Property as follows: (i) Subdivider shall make commercially reasonable efforts to complete all Landscaping pertaining to the Improvements prior to initial acceptance of the Improvements as prescribed in the Plans; and (ii) Subdivider shall make commercially reasonable efforts to complete all applicable Landscaping pertaining to private improvements on tracts within the Property prior to the issuance of a certificate of occupancy for related private improvements.

B. In the event Subdivider is unable to complete installation of the Landscaping in accordance with Subparagraph A, above, the following provisions shall apply:

1. Subdivider shall make a cash deposit to the Town in the amount of 100% of the estimated complete cost of the applicable Landscaping, to be held by the Town as security for completion of the Landscaping ("Landscape Deposit").

2. 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;

3. The Landscape Deposit must be made prior to and as a condition to:

a. Initial acceptance of the Improvements under A(i); above; or

b. Prior to the issuance of a certificate of occupancy for the private improvements under A(ii), above.

4. The Landscape Deposit shall not accrue interest;

5. Subdivider shall have 180 days from the date the Landscape Deposit is deposited with Town to complete the applicable Landscaping;

6. Within 10 days of completion of the Landscaping and acceptance by the Town, Town shall return the Landscape Deposit to Subdivider;

7. If at the end of the 180 day period the applicable Landscaping has not been completed and accepted by Town, Town may use the Landscape Deposit to the

extent necessary to complete the Landscaping, provided Town will not be obligated to spend any Town funds to complete the applicable Landscaping in the event the Landscape Deposit is insufficient to fund completion; and

8. Town shall return to Subdivider any portion of the Landscape Deposit which remains after the Town has completed the Landscaping within 10 days after completion of such Landscaping.

Section 7. Water Supply. 136.33 SFE are required to meet the water demand requirements for the Subdivision. Accordingly, 136.33 SFE of the "Water Credit" provided in Article V of the Development Agreement have been applied (i.e. "debited") to meet such water demand requirements (the "Subdivision Water Credit"). Town shall not require additional water rights or water resources as a condition to issuance of land use approvals within the Subdivision, so long as the aggregate water demand from development does not exceed the Subdivision Water Credit as computed in accordance with the Town Regulations.

To the extent that the water demand created by development on the Property (computed in accordance with Town Regulations), exceeds the Subdivision Water Credit, Subdivider must provide additional water resources computed in accordance with Town Regulations sufficient to meet the demand in excess of the initial Subdivision Water Credit.

Absent compliance with this section, Town may withhold development approvals or construction or building permits 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 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 Lanterns Water Bank, as provided in the Development Agreement.

Section 8. Water Efficiency Plan. Pursuant to 5.08 of the Development Agreement, the Property is subject to a Water Efficiency Plan. The requirements under the Water Efficiency Plan shall be incorporated into all residential lot conveyance documents and the private covenants and restrictions for the Property. In the event Town Regulations contain more restrictive conservation measures than provided in the Water Efficiency Plan, the Town Regulations shall govern.

Section 9. 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 10. Offsite Drainage Completion. The Subdivision shall not qualify for issuance of building permits until (i) the storm water infrastructure required to be constructed with the Lanterns Filing No. 3 subdivision and (ii) Pond H have both been initially accepted by the Town

Section 11. Construction Damage. Subdivider shall be responsible for any extraordinary damage to existing 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 12. 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 may not be inclusive of all such obligations. In the event of a conflict between the Development Agreement and this Agreement concerning the scope of Improvements that need to be developed with this Subdivision, the Development Agreement shall govern and control.

Section 13. Default. The following occurrences constitute a default by the Subdivider:

- (a) failure to commence or complete construction of the Improvements within the time periods prescribed in Section 2, above;
- (b) failure to cure the defective construction of any 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 14. Town's Rights Upon Default. When any event of default occurs and has not been timely cured, the Town may:

- (a) if the applicable Improvements have not been timely completed, call the Security in accordance with its terms, and apply the Security for the Remedial Work. Subdivider grants to Town and, if applicable, the surety, and their employees, agents and contractors, a non-exclusive right and easement to enter onto the Subdivision after an uncured default for the purpose of undertaking the Remedial Work;
- (b) if Improvements have not been timely completed, withhold issuance of building permits, 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 15. 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 16. 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 17. 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

If to Subdivider: Lanterns CFC LLC
 Lanterns KDC LLC
 Lanterns SLC LLC
 12460 1st Street
 PO Box 247
 Eastlake, CO 80614-0247

Toll Southwest, LLC
10 Inverness Drive East
Englewood, CO 80112

Speer Equities LLC

CC Erie Farms LLC
SC Erie Farms LLC
KC Erie Farms LLC
12460 1st Street
P.O. Box 247
Eastlake, CO 80614-0247

Section 18. 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 19. Immunity. Nothing contained in this Agreement constitutes a waiver of the Town's sovereign immunity under any applicable state law.

(Signature pages to follow)

Unofficial Copy

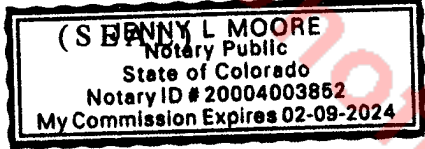
LANTERNS SLC, LLC
a Colorado limited liability company

By: [Signature]
Its: Mgr

STATE OF Colorado)
COUNTY OF Adams) ss.

The foregoing instrument was acknowledged before me this 12th day of October, 2020 by Scott L. Carlson as Manager for Lanterns SLC LLC, a Colorado limited liability company.

Witness my official hand and seal.
My commission expires: 02/09/2024



[Signature]
Notary Public

Official Copy

EXHIBIT 1

The Land referred to herein below is situated in the County of Douglas, State of Colorado, and is described as follows:

A PARCEL OF LAND BEING A PART OF SECTION 26, TOWNSHIP 8 SOUTH, RANGE 67 WEST, SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 26, BEING MONUMENTED BY A STONE WITH A CHISELED "X" FROM WHICH THE NORTH QUARTER CORNER OF SAID SECTION 26, BEING MONUMENTED BY A 1" DIAMETER PIPE WITH A 2-1/2" ALUMINUM CAP SET BY LS 6935 IS ASSUMED TO BEAR SOUTH 89°50'08" EAST, A DISTANCE OF 2627.39 FEET, WITH ALL BEARINGS CONTAINED HEREIN BEING RELATIVE THERETO;
THENCE SOUTH 26°26'45" EAST, A DISTANCE OF 3943.85 FEET TO THE SOUTHWESTERLY MOST CORNER OF THE LANTERNS FILING NO. 3, AS RECORDED UNDER RECEPTION NO. 2019089834 IN THE RECORDS OF THE DOUGLAS COUNTY CLERK AND RECORDER, SAID POINT BEING THE POINT OF BEGINNING;
THENCE ALONG THE SOUTHERLY BOUNDARY OF SAID LANTERNS FILING NO. 3 THE FOLLOWING THIRTY-FIVE (35) COURSES;

1. NORTH 47°42'26" EAST, A DISTANCE OF 329.84 FEET;
2. NORTH 56°49'37" EAST, A DISTANCE OF 76.75 FEET;
3. NORTH 76°31'55" EAST, A DISTANCE OF 93.43 FEET;
4. NORTH 89°12'00" EAST, A DISTANCE OF 120.00 FEET;
5. NORTH 00°48'00" WEST, A DISTANCE OF 101.50 FEET;
6. NORTH 89°12'00" EAST, A DISTANCE OF 45.00 FEET;
7. SOUTH 00°48'00" EAST, A DISTANCE OF 101.50 FEET;
8. NORTH 89°12'00" EAST, A DISTANCE OF 139.37 FEET;
9. SOUTH 00°48'00" EAST, A DISTANCE OF 96.63 FEET;
10. SOUTH 11°29'53" EAST, A DISTANCE OF 40.57 FEET;
11. SOUTH 20°06'24" EAST, A DISTANCE OF 85.05 FEET;
12. SOUTH 39°10'23" EAST, A DISTANCE OF 99.84 FEET;
13. SOUTH 41°00'21" EAST, A DISTANCE OF 60.11 FEET;
14. NORTH 84°20'54" EAST, A DISTANCE OF 94.89 FEET;
15. NORTH 89°14'35" EAST, A DISTANCE OF 99.52 FEET;
16. SOUTH 84°21'08" EAST, A DISTANCE OF 46.46 FEET;
17. SOUTH 77°03'45" EAST, A DISTANCE OF 49.27 FEET;
18. SOUTH 76°46'15" EAST, A DISTANCE OF 150.00 FEET;
19. NORTH 88°12'30" EAST, A DISTANCE OF 98.29 FEET;
20. NORTH 76°32'45" EAST, A DISTANCE OF 64.67 FEET;
21. NORTH 32°31'51" EAST, A DISTANCE OF 141.53 FEET;

22. NORTH $13^{\circ}13'45''$ EAST, A DISTANCE OF 222.82 FEET;
23. SOUTH $77^{\circ}28'25''$ EAST, A DISTANCE OF 128.95 FEET TO A POINT OF CURVATURE;
24. SOUTHEASTERLY A DISTANCE OF 21.21 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 13.50 FEET, A CENTRAL ANGLE OF $90^{\circ}00'00''$, A, A CHORD BEARING OF SOUTH $32^{\circ}28'25''$ EAST AND A CHORD LENGTH OF 19.09 FEET;
25. SOUTH $77^{\circ}28'25''$ EAST, A DISTANCE OF 45.00 FEET TO A POINT OF NON-TANGENT CURVATURE;
26. NORTHEASTERLY A DISTANCE OF 21.21 FEET ALONG THE ARC OF A NON-TANGENTIAL CURVE TO THE RIGHT HAVING A RADIUS OF 13.50 FEET, A CENTRAL ANGLE OF $90^{\circ}00'00''$, A BEARING OF NORTH $57^{\circ}31'35''$ EAST, AND A CHORD LENGTH OF 19.09 FEET;
27. NORTH $12^{\circ}31'35''$ EAST, A DISTANCE OF 45.00 FEET TO A POINT OF NON-TANGENT CURVATURE;
28. NORTHWESTERLY A DISTANCE OF 21.21 FEET ALONG THE ARC OF A NON-TANGENTIAL CURVE TO THE RIGHT HAVING A RADIUS OF 13.50 FEET, A CENTRAL ANGLE OF $90^{\circ}00'00''$, A CHORD BEARING OF NORTH $32^{\circ}28'25''$ WEST, AND A CHORD LENGTH OF 19.09 FEET;
29. NORTH $12^{\circ}31'35''$ EAST, A DISTANCE OF 153.08 FEET TO A POINT OF CURVATURE;
30. NORTHEASTERLY A DISTANCE OF 82.34 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 272.50 FEET, A CENTRAL ANGLE OF $17^{\circ}18'44''$, A CHORD BEARING OF NORTH $03^{\circ}52'12''$ EAST, AND A CHORD LENGTH OF 82.02 FEET;
31. NORTH $04^{\circ}47'10''$ WEST, A DISTANCE OF 88.28 FEET TO A POINT OF CURVATURE;
32. NORTHEASTERLY A DISTANCE OF 21.21 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 13.50 FEET, A CENTRAL ANGLE OF $90^{\circ}00'00''$, A CHORD BEARING OF NORTH $40^{\circ}12'50''$ EAST, AND A CHORD LENGTH OF 19.09 FEET;
33. NORTH $04^{\circ}47'10''$ WEST, A DISTANCE OF 45.00 FEET TO A POINT OF NON-TANGENT CURVATURE;
34. NORTHWESTERLY A DISTANCE OF 21.21 FEET ALONG THE ARC OF A NON-TANGENTIAL CURVE TO THE RIGHT HAVING A RADIUS OF 13.50 FEET, A CENTRAL ANGLE OF $90^{\circ}00'00''$, A CHORD BEARING OF NORTH $49^{\circ}47'10''$ WEST, AND A CHORD LENGTH OF 19.09 FEET;
35. NORTH $04^{\circ}47'10''$ WEST, A DISTANCE OF 175.39 FEET TO THE SOUTHWESTERLY MOST CORNER OF TRACTS, THE LANTERNS FILING NO. 1, AS RECORDED UNDER RECEPTION NO. 2019064453 IN THE RECORDS OF THE DOUGLAS COUNTY CLERK AND RECORDER;

THENCE ALONG THE SOUTH LINE OF SAID TRACT S THE FOLLOWING SEVEN (7) COURSES;

36. NORTH 85°12'50" EAST, A DISTANCE OF 16.00 FEET;

37. NORTH 04°47'10" WEST, A DISTANCE OF 14.41 FEET TO A POINT OF CURVATURE;

38. NORTHEASTERLY A DISTANCE OF 13.35 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 8.50 FEET, A CENTRAL ANGLE OF 90°00'00", A CHORD BEARING OF NORTH 40°12'50" EAST, AND A CHORD LENGTH OF 12.02 FEET;

39. NORTH 85°12'50" EAST, A DISTANCE OF 301.18 FEET TO A POINT OF CURVATURE;

40. NORTHEASTERLY A DISTANCE OF 13.72 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 194.00 FEET, A CENTRAL ANGLE OF 04°03'12", A CHORD BEARING OF NORTH 87°14'26" EAST, AND A CHORD LENGTH OF 13.72 FEET;

41. NORTH 89°16'03" EAST, A DISTANCE OF 109.98 FEET TO A POINT OF CURVATURE;

42. NORTHEASTERLY A DISTANCE OF 64.16 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 406.00 FEET, A CENTRAL ANGLE OF 09°03'16", A CHORD BEARING OF NORTH 84°44'25" EAST, AND A CHORD LENGTH OF 64.09 FEET;

THENCE DEPARTING FROM SAID TRACT S, AND CONTINUING THE FOLLOWING SIXTEEN (16) COURSES TO THE POINT OF BEGINNING;

43. SOUTH 07°21'36" EAST, A DISTANCE OF 157.08 FEET;

44. SOUTH 08°18'43" EAST, A DISTANCE OF 79.15 FEET;

45. SOUTH 15°12'37" EAST, A DISTANCE OF 84.94 FEET;

46. SOUTH 18°18'43" EAST, A DISTANCE OF 72.37 FEET;

47. SOUTH 19°24'56" EAST, A DISTANCE OF 85.86 FEET;

48. SOUTH 35°43'42" EAST, A DISTANCE OF 73.67 FEET;

49. SOUTH 56°04'57" EAST, A DISTANCE OF 70.97 FEET;

50. SOUTH 32°31'01" EAST, A DISTANCE OF 58.78 FEET;

51. SOUTH 15°09'26" EAST, A DISTANCE OF 442.84 FEET;

52. NORTH 72°57'44" EAST, A DISTANCE OF 931.02 FEET TO A POINT ON THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 26;

53. SOUTH 00°29'22" EAST ALONG SAID EAST LINE A DISTANCE OF 1922.80 FEET TO THE SOUTHEAST CORNER OF SECTION 26;

54. NORTH 89°48'33" WEST ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 26, A DISTANCE OF 2644.76 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION;

55. NORTH 89°49'04" WEST ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 26, A DISTANCE OF 227.01 FEET;

56. NORTH 00°10'56" EAST, A DISTANCE OF 579.55 FEET;
57. NORTH 17°54'36" WEST, A DISTANCE OF 325.65 FEET;
58. NORTH 32°56'07" WEST, A DISTANCE OF 1056.77 FEET TO THE POINT OF
BEGINNING;
COUNTY OF DOUGLAS, STATE OF COLORADO.

Unofficial Copy

(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 Lanterns Filing No. 3 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

Unofficial Copy