

DocuSign Envelope ID: 10B26831-E9E3-436F-835B-922713527609

**LANTERNS FILING NO. 6
SUBDIVISION IMPROVEMENTS AGREEMENT**

DATE: November 29, 2021.

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,
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
(collectively, “Subdivider”).

RECITALS:

A. Subdivider desires to plat certain property as the Lanterns Filing No. 6 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:

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Section 1. Definitions. The following words when capitalized in the text shall have the meanings indicated:

Agreement: this Lanterns Filing No. 6 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 as further amended via the Lanterns First Amendment to the Lanterns Amended and Restated Development Agreement dated December 17, 2019, recorded in the Records on May 8, 2020 at Reception No. 20200038545.

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.

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 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.

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Subdivision: the Lanterns Filing No. 6 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.

In the event Subdivider has not obtained all necessary Town permits and approvals and commenced construction of the Improvements within one year of the date of recordation of this Agreement, the Town's authorization under this Agreement shall lapse, unless extended pursuant to Town Regulations.

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. The Property shall not qualify for certificates of occupancy unless the 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 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 Improvements, Subdivider may request inspection. Town shall make inspection within 5

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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

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Landscaping pertaining to private improvements or tracts on 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. 85.33 SFE are required to meet the water demand requirements for the Subdivision. 85.33 SFE of the "Water Credit" provided in Article V of the Development Agreement have been applied 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.

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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. Temporary Channel. Subdivider shall design and construct a temporary channel with erosion protection (the "Temporary Channel") until such time as a permanent, offsite channel is constructed with future development on Lanterns Filing No. 7 within the Lanterns PD (the "Offsite Channel"). The Offsite Channel improvement to convey stormwater runoff from the site to the regional detention pond G has not been constructed as of the execution of this Agreement. The Town may accept the Temporary Channel to convey flows from Lanterns Filing No. 6 to the regional detention pond G under the following conditions:

- (i) The Offsite Channel is designed, constructed, and receives final approval from the Town as part of Lanterns Filing No. 7, as condition of release of warranty surety for Lanterns Filing No. 6; and
- (ii) The Offsite Channel is conveyed with the required permanent drainage easements as condition of release of warranty surety for Lanterns Filing No. 6; or
- (iii) Subdivider has provided the Offsite Channel surety pursuant to the requirement of Lanterns Filing No. 7 or such surety to cover the Offsite Channel independent of Lanterns Filing No. 7, which shall not be released until such time as the Offsite Channel has been conveyed to the Town.

The Town, in its sole discretion, shall withhold release of any security as described in Section 5 of this Agreement until such time that the Offsite Channel has been constructed and passed all final inspections.

Section 10. Additional Transportation Improvements. In the event any portion of the remaining property within the Lanterns PD is rezoned with a use that increases traffic counts, pursuant to an updated traffic impact analysis, (i) the conveyance of additional right of way, (ii) construction of additional transportation improvements, and (iii) addition

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contribution toward the Crystal Valley Interchange may be required as a condition to approval of such rezoning request. This provision shall be a requirement in all subdivision improvements agreements for the properties with the Lanterns PD.

Section 11. 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 12. 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 14. 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 15. 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 3, 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 16. Town's Rights Upon Default. When any event of default occurs and has not been timely cured, the Town may:

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- (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 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

If to Subdivider: Lanterns CFC LLC

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Lanterns KDC LLC
Lanterns SLC LLC
Lanterns RLC LLC
12460 1st Street
PO Box 247
Eastlake, CO 80614-0247

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

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.

(Signature pages to follow)

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SUBDIVIDER:

LANTERNS CFC LLC
a Colorado limited liability company

By: [Signature]

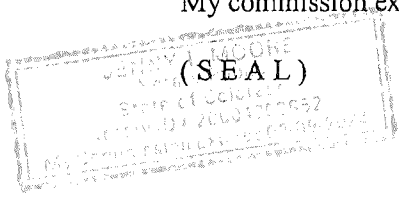
Its: [Signature]

STATE OF Colorado)

COUNTY OF Adams) ss.

The foregoing instrument was acknowledged before me this 9th day of November, 2021 by Clay Carlson as Manager for Lanterns CFC LLC, a Colorado limited liability company.

Witness my official hand and seal.
My commission expires: October 2024.



[Signature]
Notary Public

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Exhibit 1

A PARCEL OF LAND BEING A PART OF THE WEST HALF OF SECTION 26, TOWNSHIP 8 SOUTH, RANGE 67 WEST, SIXTH PRINCIPAL MERIDIAN, TOWNSHIP 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 17°45'24" EAST, A DISTANCE OF 2209.68 FEET TO A POINT ON THE SOUTHERLY BOUNDARY OF THE LANTERNS FILING NO. 1, AS RECORDED UNDER RECEPTION NO. 2019064453 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. 1 THE FOLLOWING THREE (3) COURSES:

1. SOUTH 75°22'36" EAST, A DISTANCE OF 151.64 FEET, TO A POINT OF NON-TANGENTIAL CURVATURE,
2. NORTHEASTERLY A DISTANCE OF 80.40 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 54.00 FEET, A CENTRAL ANGLE OF 85°18'20", A CHORD BEARING OF NORTH 36°02'24" EAST, AND A CHORD LENGTH OF 73.18 FEET TO A POINT OF TANGENCY;
3. NORTH 78°41'43" EAST, A DISTANCE OF 4.02 FEET, TO THE NORTHWESTERLY MOST CORNER OF THE LANTERNS FILING NO. 3, AS RECORDED UNDER RECEPTION NO. 2019089834 IN THE RECORDS OF THE DOUGLAS COUNTY CLERK AND RECORDER.

THENCE ALONG THE WEST LINE OF SAID LANTERNS FILING NO. 3 THE FOLLOWING TWO (2) COURSES,

1. SOUTH 20°28'23" EAST, A DISTANCE OF 777.18 FEET,
2. SOUTH 40°34'45" EAST, A DISTANCE OF 948.40 FEET, TO THE SOUTHWESTERLY MOST CORNER OF SAID LANTERNS FILING NO. 3 AND THE NORTHWESTERLY MOST CORNER OF THE LANTERNS FILING NO. 5 AS RECORDED UNDER RECEPTION NO. 2020115852 IN THE RECORDS OF THE DOUGLAS COUNTY CLERK AND RECORDER.

THENCE ALONG THE WEST LINE OF SAID LANTERNS FILING NO. 5 THE FOLLOWING THREE (3) COURSES:

1. SOUTH 32°56'07" EAST, A DISTANCE OF 1056.77 FEET;
2. SOUTH 17°54'36" EAST, A DISTANCE OF 325.65 FEET;
3. SOUTH 00°10'56" WEST, A DISTANCE OF 579.55 FEET, TO A POINT ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 26.

THENCE NORTH 89°49'02" WEST, A DISTANCE OF 1312.41 FEET ALONG SAID SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 26 THENCE THE FOLLOWING FORTY (40) COURSES TO THE POINT OF BEGINNING:

1. NORTH 00°10'55" EAST, A DISTANCE OF 783.56 FEET;
2. NORTH 04°18'17" EAST, A DISTANCE OF 189.90 FEET;
3. NORTH 26°49'24" WEST, A DISTANCE OF 41.63 FEET, TO A POINT OF NON-TANGENTIAL CURVATURE,
4. NORTHEASTERLY A DISTANCE OF 52.93 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 247.50 FEET, A CENTRAL ANGLE OF 12°15'16", A CHORD BEARING NORTH 57°02'58" EAST, AND A CHORD LENGTH OF 52.83 FEET TO A POINT OF NON-TANGENCY;
5. NORTH 39°04'40" WEST, A DISTANCE OF 45.00 FEET;
6. NORTH 13°55'39" WEST, A DISTANCE OF 199.10 FEET;
7. NORTH 33°59'13" WEST, A DISTANCE OF 45.80 FEET;
8. NORTH 56°24'41" WEST, A DISTANCE OF 150.00 FEET;
9. NORTH 53°35'19" EAST, A DISTANCE OF 115.00 FEET;
10. NORTH 36°24'41" WEST, A DISTANCE OF 8.07 FEET;
11. NORTH 53°35'19" EAST, A DISTANCE OF 45.00 FEET;
12. SOUTH 81°24'41" EAST, A DISTANCE OF 19.09 FEET;
13. NORTH 53°35'19" EAST, A DISTANCE OF 133.98 FEET;
14. NORTH 36°24'41" WEST, A DISTANCE OF 110.68 FEET;
15. NORTH 40°03'46" WEST, A DISTANCE OF 47.41 FEET;
16. NORTH 47°35'03" WEST, A DISTANCE OF 47.39 FEET;
17. NORTH 55°04'45" WEST, A DISTANCE OF 47.39 FEET;
18. NORTH 62°33'46" WEST, A DISTANCE OF 47.39 FEET;
19. NORTH 66°43'55" WEST, A DISTANCE OF 349.86 FEET;
20. NORTH 66°23'60" WEST, A DISTANCE OF 53.01 FEET;
21. NORTH 62°18'07" WEST, A DISTANCE OF 58.97 FEET;
22. NORTH 56°59'48" WEST, A DISTANCE OF 58.97 FEET;
23. NORTH 51°41'60" WEST, A DISTANCE OF 58.97 FEET;
24. NORTH 47°51'00" WEST, A DISTANCE OF 52.38 FEET;
25. NORTH 47°38'18" WEST, A DISTANCE OF 246.35 FEET, TO A POINT OF NON-TANGENTIAL CURVATURE,
26. THENCE NORTHEASTERLY A DISTANCE OF 92.01 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 464.00 FEET, A CENTRAL ANGLE OF 11°27'41", A CHORD BEARING NORTH 36°18'10" EAST, AND A CHORD LENGTH OF 91.86 FEET TO A POINT OF NON-TANGENCY;
27. NORTH 47°25'12" WEST, A DISTANCE OF 72.00 FEET;
28. NORTH 02°47'12" WEST, A DISTANCE OF 33.15 FEET;
29. NORTH 47°38'18" WEST, A DISTANCE OF 5.87 FEET;
30. NORTH 42°21'42" EAST, A DISTANCE OF 46.42 FEET;
31. NORTH 48°27'37" EAST, A DISTANCE OF 138.10 FEET;
32. NORTH 53°37'02" EAST, A DISTANCE OF 40.00 FEET;
33. NORTH 58°26'27" EAST, A DISTANCE OF 133.11 FEET;
34. NORTH 57°40'28" EAST, A DISTANCE OF 1.43 FEET;
35. NORTH 56°06'42" EAST, A DISTANCE OF 45.57 FEET;
36. NORTH 46°28'49" EAST, A DISTANCE OF 97.87 FEET, TO A POINT OF CURVATURE,
37. NORTHEASTERLY A DISTANCE OF 175.64 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 174.00 FEET, A CENTRAL ANGLE OF 57°50'12", A CHORD BEARING NORTH 16°41'45" EAST, AND A CHORD LENGTH OF 168.28 FEET TO A POINT OF TANGENCY;
38. NORTH 12°13'21" WEST, A DISTANCE OF 31.67 FEET;
39. THENCE NORTH 11°38'31" WEST, A DISTANCE OF 193.98 FEET;
40. THENCE NORTH 12°54'07" EAST, A DISTANCE OF 79.36 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINING A CALCULATED AREA OF 2,933,972 SQUARE FEET OR 67.355 ACRES, MORE OR LESS AND BEING SUBJECT TO ANY EXISTING EASEMENTS AND OR RIGHTS OF WAY OF WHATSOEVER NATURE. THE LINEAL UNIT USED IN THE PREPARATION OF THIS LEGAL DESCRIPTION IS THE U.S. SURVEY FOOT AS DEFINED BY THE UNITED STATES DEPARTMENT OF COMMERCE, NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.

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(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 _____

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

- 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