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**LIBERTY VILLAGE FILING NO. 1
SUBDIVISION IMPROVEMENTS AGREEMENT**

DATE: September 15, 2005.

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

M.D.C. LAND CORPORATION, a Colorado corporation, (Subdivider)
4350 S. Monaco Street, Suite 100, Denver, CO 80237.

RECITALS:

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

B. The subdivision regulations of the Castle Rock Municipal Code require that the Subdivider construct the public improvements necessary to provide municipal utilities and services to the Subdivision in accordance with Town 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.

D. The Board of Directors, as defined in Section 1 have an ownership interest in a portion of the Property (Directors Tracts) as members of the Board of Directors of the Villages, at Castle Rock Metropolitan District No. 6, but do not intend to participate in the development of the Property, which will be undertaken solely by Subdivider. Consequently, the Board of Directors join in this Agreement for the purposes set forth in this Recital D and subject to the exculpation provisions of Section 35, below, and Subdivider subordinates its interests in the Directors Tracts to this Agreement.

COVENANTS:

NOW, THEREFORE, in consideration of these mutual promises, the parties agree and covenant as follows:

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

Agreement: this Liberty Village Filing No. 1 Subdivision Improvement Agreement.

Board of Directors: Thomas Zieske, James L. Yates, John J. Heaney,

Code: the Castle Rock Municipal Code, as amended.

Development Agreement: the Liberty Village Development Agreement dated April 27, 2004, recorded August 17, 2004 at Reception No. 2004085670 in the Records.

Development Exactions: the fees and charges imposed by Town under the Town Regulations on development, including the Development Impact Fees and the System Development Fees, including but not limited to water, wastewater, and water resource fees as provided for in the Code.

Development Impact Fees: capital recovery charges imposed under Chapter 3.16 of the Code.

Director: the Director of Development Services, or designee.

District: the Villages at Castle Rock Metropolitan District No. 6.

Final Site Plan: a final PD site plan for any portion of the Subdivision as approved by the Town.

Improvements: the water, wastewater, stormwater 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 Final Site Plan, including any landscaping guidelines.

Park Tract: the 124-acre tract described in *Exhibit 2*, previously deeded by Subdivider to Town.

Phase: a contiguous geographical area of the Subdivision so designated in the Plans (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 Preliminary Plat and related documents as modified and supplemented by approved construction plans and drawings, together with the Landscaping.

Plat: the final subdivision plat for the Subdivision as approved by the Town.

Preliminary Plat: the Liberty Village Filing No. 1 preliminary subdivision plat approved by the Town Council and recorded in the Records at Reception No. 2005007985.

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

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

Subdivision: the Liberty Village Filing No. 1 subdivision.

System Development Fees: the capital recover charges for water and wastewater plant imposed under 13.12.090 of the Code.

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

Wastewater Agreement: the Amended and Restated Intergovernmental Agreement between Denver Southeast Suburban Water and Sanitation District d/b/a Pinery Water and Sanitation District and the Town of Castle Rock, dated August 11, 2004.

Certain other terms are defined elsewhere in this Agreement. Section references are to the numbered sections of this Agreement.

Section 2. Construction of Improvements. The Improvements shall be constructed in strict accordance with the Plans, or to the extent not otherwise provided in the Plans, in accordance with applicable Town ordinances, rules and regulations. The Improvements may be constructed by Phase, in accordance with the applicable Phasing Plan. If 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.

Individual PRV on service lines are required in Planning Area 2 per the provisions of Public Works Variance No. V04-0035. Water main pipe material and fittings must be designed to withstand working pressures in excess of 250 psi.

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 approval of the Subdivision shall lapse. As a condition to commencement of construction of any of the Improvements thereafter, Subdivider shall demonstrate to the Town Council good cause for the delay and its good faith intention and financial ability to proceed and complete development of the Subdivision; provided that Subdivider shall not be required to resubmit a land use application for the Subdivision. For the purposes of this Section 2, Subdivider's compliance with Section 5 of this Agreement shall presumptively demonstrate Subdivider's good faith intention and financial ability to proceed and complete development of the Subdivision.

Phase Improvements must be completed by either the date specified in the Town Regulations, or if no such date is prescribed, one year after the date of issuance of the first public works permit for such Phase Improvements (Completion Date), provided that the Completion Date shall 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 reasonably determined by the Director. As a condition to such extension, the term of the required Security shall be extended so as to conform with the requirements of Section 5.

The requirements for completion of Landscaping are contained in Section 7.

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 accepted by the Town as provided in Section 4.

Improvements within each Phase (or Planning Area, as that term is used in the Plans), all downstream sewer lines that are required for connection to the Denver Southeast Suburban Water and Sanitation District d/b/a Pinery Water and Wastewater District collection

system, and all water lines outside of the Phase (or Planning Area) being developed that are required for adequate looping of the water system, must be substantially complete prior to the issuance of any building permits within that Phase (or Planning Area), unless otherwise approved by the Town as provided further in this section 3.

In addition, Phase 1 and Phase 2 Improvements, as provided for in the Plans, are required to be constructed prior to the construction of any other Improvements.

The Director, in his/her absolute discretion, may authorize issuance of one or more designated building permits prior to substantial completion of the Phase Improvements, 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.

The requirements for completion of Landscaping are contained in Section 7.

Section 4. Acceptance of Improvements. Upon substantial completion of the Phase Improvements, Subdivider may request inspection. Town shall make inspection within five (5) working days of the date Subdivider requests such inspection, and Town shall notify Subdivider of non-conforming work within five (5) working days after the inspection is made. Subdivider shall have 30 days from the date of receipt of Town's inspection report to remedy the non-conforming work unless the remedial work is delayed due to weather conditions, in which event the work shall be completed as soon as reasonably feasible thereafter.

With cure of non-conforming work, receipt of as-built plans and initial acceptance of the Phase Improvements by Town, Subdivider shall promptly convey its interest in the Phase Improvements by document in the form attached as **Exhibit 3**. On the date of conveyance of the Phase Improvements, the applicable warranty period commences.

The acceptance process for Landscaping is addressed in Section 7.

Section 5. Improvements Security. In accordance with 6.03 of the Development Agreement, Subdivider is not required to post construction performance surety for the Phase Improvements. However, upon initial acceptance of the Phase Improvements, Subdivider shall provide the Town with a letter of credit, cash escrow deposit or performance bond in the amount of 15% of the actual construction cost of the Phase Improvements (Warranty Security). The Warranty Security shall be released as authorized in the Town Regulations. The Security requirements for Landscaping is subject to the further restrictions and provisions set forth in Section 7, below.

Section 6. Subsequent Plan Approvals. Although the Town Regulations require that all Improvements associated with the development of the Property are to be

concurrently approved with the Plat, in this instance the parties have determined that it is not feasible to make such concurrent approval of all Plans, due to the scale of the Subdivision. Accordingly, as additional Plan sets are approved for Planning areas 6 and 7, Town may require that Subdivider enter into an amendment to this Agreement or a separate Public Improvements Agreement (PIA) which will make the construction of such Improvements subject to the applicable provisions of this SIA, as well address specific development issues, if any, associated with construction of such Improvements. Such amendment to this SIA or PIA shall be approved and recorded prior to the issuance of a public works permit for such Planning area 6 and 7 Improvements and prior to the issuance of any building permits for any Phases served by such Improvements.

Section 7. 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 the event that at the time the Town accepts the Phase Improvements the Phase Landscaping is not sufficiently completed to allow the Town's acceptance, the following provisions shall apply:

- (a) Subdivider shall make a cash deposit to the Town in the amount of 115% of the estimated completion cost of the Phase Landscaping to be held by Town as security for completion of the Phase Landscaping (Landscape Deposit);
- (b) the amount of the Landscape Deposit shall be determined by the Town after review of the cost estimate of completion furnished by the Subdivider's landscape architect or contractor;
- (c) the Landscape Deposit must be made prior to and as a condition of the issuance of the first building permit within the Phase;
- (d) upon receipt of the Landscape Deposit the Town will release that portion of the Security applicable to the Phase Landscaping.
- (e) the Landscape Deposit shall not accrue interest;
- (f) Subdivider shall have 180 days from the date the Landscape Deposit is deposited with the Town to complete the Phase Landscaping;
- (g) within 10 days of completion of the Phase Landscaping and acceptance by the Town, Town shall return to Subdivider the Landscape Deposit, less a

15% warranty hold-back and the applicable warranty on the Phase Landscaping shall commence;

- (h) if at the end of such 180 day period the Phase Landscaping has not been completed and accepted by Town, Town may use the Landscape Deposit to the extent necessary to complete the Phase Landscaping, provided Town will not be obligated to spend any Town funds to complete the Phase Landscaping in the event the Landscape Deposit is insufficient to fund completion;
- (i) Town shall return to Subdivider any portion of the Landscape Deposit which remains after the Town has completed the Phase Landscaping within 10 days after completion of such Phase Landscaping, less a 15% hold-back for the warranty period;
- (j) the Landscape Deposit held for the warranty shall be released to Subdivider within 10 days of the date of expiration of the Phase Landscaping warranty and Town's final acceptance of the Phase Landscaping.

Section 8. Water Supply. The entire 1500 SFE of the "Water Rights Credit" in the Liberty Village Water Bank, as provided in Article V of the Development Agreement, have been applied to meet the water supply requirements for the Subdivision (Subdivision Water Credit). Town shall not require additional water rights or water resources as a condition to issuance of land use approvals within the Subdivision, so long as the aggregate water demand from development (public and private) does not exceed the Subdivision Water Credit. The remainder of any surplus Subdivision Water Credit after full development of the Subdivision shall revert to the Town.

Section 9. Drainageway Improvements. A Letter of Map Revision (LOMR) from FEMA may be required once construction of the McMurdo Gulch Improvements are completed in their entirety. Subdivider is responsible for confirmation of the LOMR requirements and must provide documentation as such to the Town Floodplain Administrator. If a LOMR is determined to be a requirement the Subdivider shall undertake and complete such a process in a timely manner. During the time in which the LOMR is under review and approved by FEMA and the Town Floodplain Administrator, no building permits for lots which are affected by such a revision will be released

Section 10. Water Fee Credit. Subdivider shall receive a credit of \$250 per SFE against the water component of the System Development Fees imposed and collected by the Town on water connections on the Property (Water Tap Credit). The Water Tap Credit shall be realized by the Town discounting the applicable System Development Fees by \$250 per SFE.

Section 11. Water Tap Purchase. Pursuant to the terms of 7.02 of the Development Agreement, Town shall make available and Subdivider shall purchase a total of

230 SFE of the water system component of the System Development Fees (Water Taps) by Subdivider either obtaining building permits on the Property and/or the advance purchase of Water Taps on the following terms and conditions:

- (a) the purchase price of each Water Tap shall be the water component of the System Development fee established under the Town Regulations as of the date of purchase, less the Water Tap Credit of \$250 per Water Tap;
- (b) concurrently with recordation of this Agreement, Subdivider shall purchase 30 Water Taps at the rate of \$8,866 per Water Tap;
- (c) by the first anniversary date of the recordation of this Agreement, or APRIL 28, 2007, Subdivider shall purchase an additional 50 Water Taps;
- (d) by the second anniversary date of recordation of this Agreement, or APRIL 28, 2008, Subdivider shall purchase an additional 100 Water Taps;
- (e) by the third anniversary date of recordation of this Agreement, or April 28, 2009, Subdivider shall purchase an additional 50 Water Taps, concluding the Water Tap commitment;
- (f) Subdivider shall be obligated to purchase the prescribed minimum of Water Taps irrespective of whether it actually does or can utilize the Water Taps so purchased;
- (g) once purchased (either in conjunction with building permit issuance or in advance as necessary to meet the above commitment) the Water Taps shall have no expiration date, and shall not be affected by subsequent changes in the of water component of the System Development Fees imposed through Town Regulations; and
- (h) the Water Taps may only be used on the Property, and will not be honored for improvements elsewhere in the Town.

The Purchased Water Taps shall be evidenced by a certificate issued by the Town to the payer in the form attached as **Exhibit 4**, and each certificate shall be cancelled when presented in lieu of payment of the water component of the System Development Fee at building permit. All of the other Development Exactions shall be collected at building permit.

Concurrently with recordation of this Agreement, Subdivider shall provide the Town with a renewable letter of Credit in the amount of \$1,855,040 to secure Subdivider's commitment to purchase additional Water Taps (LOC). The LOC shall be automatically renewable in an amount equal to Subdivider's outstanding obligation to purchase Water Taps as of the date of renewal. Town may call the LOC in the event of Subdivider's uncured default in making the Water Tap purchase pursuant to this Section 11 and 7.02 of the

Development Agreement or the LOC is not renewed by its expiration date. The LOC shall be issued by HomeAmerican Mortgage Corporation, a Colorado Corporation.

In addition to the Water Taps, Subdivider may prepay the water component of the System Development Fees as provided in the Town Regulations, subject to the reduction for the Water Tap Credit (Water SFE). However, such Water SFE purchased in prior to the date(s) required above, or in excess of 230 SFE in aggregate shall be subject to all terms, conditions and restrictions placed on the use of the Water SFE under the Town Regulations, including applicable lapse or expiration provisions.

Section 12. Pinery Wastewater Connection. As part of the first Phase Improvements, Subdivider shall construct the Town Interceptor, as referenced in 1.01 of the Wastewater IGA, as well as the Flow Metering System as referenced in 2.02 of the Wastewater IGA (collectively, Pinery Facilities). Town shall assist Subdivider in obtaining any necessary permits and approvals from the Pinery District for construction of the Pinery Facilities. The connections to the Pinery Wastewater system shall be substantially complete, accepted by the Pinery Water and Sanitation District and operational prior to and as a condition to issuance of the first building permit on the Property.

Section 13. Cherry Creek Basin Fees. Subdivider acknowledges the Property is subject to the Cherry Creek Basin Fees as defined in the Wastewater IGA, and acknowledges that the Cherry Creek Basin Fees will be higher than the equivalent fees in the portion of the Town served by the Plum Creek Wastewater Authority.

Section 14. Commercial Development Lift Station. Subdivider, at its expense, shall obtain all third-party governmental permits and approvals and construct, own and maintain the lift station and force main necessary to provide wastewater service to the commercial use area, as defined on the Preliminary Plat. No building permits shall be issued for the Commercial use area until such third-party governmental permits and approvals have been obtained. Provided further, no certificates of occupancy shall be issued for the commercial use area until the lift station and force main are substantially complete and operational.

Section 15. Castle Oaks Drive Water Main. The 16-inch and 20-inch water transmission mains located in Castle Oaks Drive through the Castle Oaks P.D. and the Property shall be substantially complete and operational prior to the issuance of the first building permit on the Property.

Section 16. Well Site Relocation. The embankment for Castle Oaks Drive will impair the Town's ability to use two well site easements and the access to those two well sites and two other well sites owned by the Town. Subdivider shall assist Town with the acquisition of two alternative well sites and access easements

Section 17. Interchange Participation. Concurrently with and as a condition to recordation of this Agreement, Subdivider shall pay to Town \$6,380, as the Subdivision's

proportionate financial share of the Exit 184/I-25 Interchange improvements. This payment shall not reduce the Development Exactions otherwise payable under the Town Regulations.

Section 18. Signalization. Concurrently with and as a condition to recordation of this Agreement, Subdivider shall pay to Town \$165,000, for the cost of the Castle Oaks Drive/State Highway 83 traffic signal. This payment shall not reduce the Development Exactions otherwise payable under the Town Regulations. Subdivider shall be responsible for any additional improvements to State Highway 83 as required by the Colorado Department of Transportation.

Concurrently with and as a condition to recordation of this Agreement, Subdivider shall pay to Town, \$100,000 for the cost of two pair of flashing school zone beacons. If at any time it is conclusively determined a school will not be constructed in the Subdivision, Town shall refund to Subdivider the \$100,000. In the event it is determined that a fewer number of beacons are needed, the Town shall refund the proportionate cost of the \$100,000 to Subdivider. For the purpose of this paragraph, "conclusively determined" shall mean that the Douglas County School District (DCSD) has delivered a letter to either Town or Subdivider stating that DCSD has determined that a school will not be constructed within the Subdivision. If within ten (10) years following the recordation of this Agreement, the need for the beacons has not been conclusively determined, the Town shall refund to Subdivider the \$100,000.

Section 19. Park Development. As part of the first Phase Improvements, Subdivider, at its expense, shall establish a rough grade for the Park Tract in accordance with the approved grading plan. Subdivider shall pay the water System Development Fees and tap connection charges for a 2-inch water tap to be applied by Town towards development of either the Park Tract or public lands, at the Town's election. Such payment shall be made within 30 days upon which construction of the park facilities on the tract are commenced.

Section 20. Emergency Access. Subdivider shall construct an emergency service access to the adjacent Douglas County development to the north of the Property at the location indicated on the Preliminary Site Plan as part of the applicable Phase Improvements. The specifications for the emergency access are: (i) a 24-foot asphalt or concrete surface capable of supporting a minimum of 75,000 pound vehicle; and (ii) be provided with an opticom controlled access gate across the access.

Section 21. Public Land Dedication. Concurrently with and as a condition to recordation of this Agreement, Tracts A, B, C, D, E, F, G, H, J, K, L, N, A-1, B-1, C-3, L-2, L-3 and N-1 (Dedicated Tracts) shall be conveyed to the Town by special warranty deed free and clear of any liens, encumbrances or assessments that would impair the use of the property by the Town for intended purpose as reasonably determined by Town. Subdivider shall furnish Town with an ALTA form policy of title insurance, issued by a title company licensed to do business in the State of Colorado, and which insures the Town's title in the amount of \$10,000 per acre, for each Dedicated Tract. Subdivider shall pay the premium for such title

insurance. Taxes for prior years shall be paid in full and current year taxes shall be prorated and paid to Town with recordation of the deed to the Dedicated Tracts.

Pursuant to 9.04 of the Development Agreement, the Dedicated Tracts shall not be encumbered by any private restrictive covenants.

Within 60 days after recordation of this Agreement, Subdivider shall submit to Town a noxious weed survey and noxious weed management plan for the Dedicated Tracts. Upon approval of the plan by the Town, which approval shall not be unreasonably withheld, Subdivider shall make one application of the recommended chemicals, at its sole cost not to exceed \$100.00 per acre, to manage noxious weed areas within the Dedicated Tracts (if any such areas are identified in the noxious weed survey). This chemical application shall be made at the time prescribed in the management plan. All other noxious weed management steps identified in the noxious weed management plan shall be the sole responsibility of the Town and, following the one chemical application as described above, Subdivider shall be relieved of all further responsibility with regard to implementation of the noxious weed management plan for the Dedicated Tracts.

Section 22. Environmental Regulations. Subdivider, at its expense, shall be responsible for compliance with any requirements for endangered species habitat protection and/or mitigation measures under federal environmental laws, FEMA, and Corps of Engineer wetland requirements (Governmental Regulations) triggered by construction of Phase Improvements or grading of the Park Tract by Subdivider.

Section 23. Trail Construction. Subdivider shall construct all trails as depicted on the Final Site Plan with construction of the applicable Phase Improvements.

Section 24. Water Conservation Regulations. The landscaping of all lots shall conform to the Town's adopted water conservation requirements in effect at the time of the building permit application for such lot.

Section 25. Design Standards. The Final Site Plan for the Subdivision contains certain building and design restrictions and requirements, affecting design elements such as setbacks, building elevations (Design Guidelines). Town shall have the right, but not the obligation, to enforce the Design Guidelines through the withholding of building permits or certificates of occupancy for any structure which is not in compliance with the applicable Design Guidelines.

Section 26. Required Covenant Provisions. Any declaration of covenants, conditions and restrictions creating a scheme of restrictive covenants on the Property shall contain a provision which provides that in the event of a conflict between such covenants and the Town Regulations, the Town Regulations shall govern and control. In the absence of inclusion of such provision, this Agreement shall constitute such declaration of supremacy of the Town Regulations.

Section 27. Application of Development Agreement. The Development Agreement contains 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. The Plat is vested in accordance with 10.09 of the Development Agreement.

Section 28. 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 29. Disclosure to Purchaser. Subdivider shall make the following disclosure in any contract for conveyance of any portion of the Property (excluding the sale of a lot to a retail purchaser):

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

Section 30. Statutory Impact Fee Compliance. For the purpose of interpreting and applying the provisions of CRS §29-20-104.5(6), the parties concur that the "completed application" which triggers the Town's right to impose and collect Development Exactions, is a completed building permit application. Accordingly, the schedule of such Development Exactions in effect at the time of such building permit issuance establishes the level of Development Exactions.

Section 31. Default. The following occurrences constitute a default of this

Agreement:

- (a) failure to commence or complete construction of the Phase Improvements within the time periods prescribed in this Agreement;
- (b) failure to cure the defective construction or installation of any Phase Improvement within the applicable cure period;
- (c) failure to perform work on the Phase Improvements required by this Agreement within the Subdivision for a period of more than 90 consecutive days except when such delay is due to adverse weather, material unavailability, or other circumstances beyond the control of Subdivider;
- (d) Subdivider's insolvency, the appointment of a receiver for the Subdivider or the filing of a voluntary or involuntary petition in bankruptcy respecting the Subdivider;
- (e) Subdivider has breached, or caused a breach of any other provision of this Agreement.

As a condition to Town's right to exercise its remedies for default, Town shall give written notice to Subdivider of the occurrence of an event of default. Subdivider shall have 30 calendar days from the receipt of such notice to cure the default. However, if Subdivider is unable to effect a cure a default under (a) above, solely due to adverse weather conditions, then the right to cure shall be extended for an additional 90 days provided Subdivider provided Subdivider extends the term of the Security to extend 60 days beyond the date of the extended cure period.

If timely cure of the noticed default(s) is not accomplished, Town shall thereafter be entitled to pursue its remedies against Subdivider.

Section 32. Town's Rights Upon Default. When any event of default occurs and has not been timely cured, the Town may:

- (a) if the applicable Phase Improvements have not been timely completed, call the Security in accordance with its terms, and apply the Security for the Remedial Work. Subdivider grants to Town and, if applicable, the surety, and their employees, agents and contractors, a non-exclusive right and easement to enter onto the Property after an uncured default for the purpose of undertaking the Remedial Work, provided such right of entry shall irrevocably terminate when all Improvements are completed and accepted by Town;
- (b) if Phase Improvements have not been timely completed, withhold issuance of building permits in the affected Phase;

- (d) record a notice of non-compliance with this Agreement in the public records to provide record notice of the default, which notice shall promptly be released by Town upon cure of the default; and
- (e) bring suit against the defaulting party for money damages and/or equitable relief for breach of the Agreement.

Section 33. Town Default. In the event Town should fail to timely perform its obligations under this Agreement, Subdivider shall give written notice to Town of such default and Town shall have 30 calendar days from the receipt of such notice to cure the default. If the default is not timely cured, Subdivider shall have the right to seek legal and/or equitable relief against the Town.

Section 34. Indemnification. Subdivider indemnifies and holds the Town harmless from and against all claims, costs and liability of every kind and nature, for injury or damage received or sustained by any person or entity in connection with, or on account of the construction or repair of the Phase Improvements by Subdivider; provided however such indemnity shall only extend to claims for injury or damage occurring prior to the date of final acceptance of the Phase Improvements by the Town.

Section 35. Directors Liability. Board of Directors are signatories to this Agreement solely to subordinate their interest in the Directors Tracts to this Agreement. The Board of Directors assume no obligation to undertake or perform any obligation of Subdivider under this Agreement and the Board of Directors shall have no liability to Town of any nature, in the event of a default of this Agreement by Subdivider.

Section 36. No Waiver. No waiver of any provision of this Agreement will be deemed or constitute a waiver of any other provision, nor will it be deemed or constitute a continuing waiver unless expressly provided for by a written amendment to this Agreement signed by both Town and Subdivider, nor will the waiver of any default under this Agreement be deemed a waiver of any subsequent default or defaults of the same type. The Town's failure to exercise any right under this Agreement will not constitute the approval of any wrongful act by the Subdivider or the acceptance of any Improvement.

Section 37. 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 38. Notice. Any notice required or permitted by this Agreement will be deemed effective when personally delivered in writing or by facsimile, or three (3) days after notice is deposited with the U.S. Postal Service, postage prepaid, certified, and return receipt requested, and addressed as follows:

if to Subdivider: M.D.C. Land Corporation
4350 S. Monaco Street, Suite 100
Denver, CO 80237

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

Section 39. Recordation and Binding Effect. This Agreement shall be recorded with the Clerk and Recorder's Office of Douglas County, Colorado and shall be binding upon the assigns, successors, and grantees of Subdivider in the same manner as if such third parties were signatories to this Agreement. Provided further however, this Agreement shall be of no effect or application and shall no longer constitute an encumbrance upon a platted lot, at such time as a final certificate of occupancy for private improvements is issued by the Town on such lot.

Section 40. Immunity. Nothing contained in this Agreement constitutes a waiver of the Town's sovereign immunity under any applicable state law.

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TOWN OF CASTLE ROCK

Mark Stevens
Mark Stevens, Town Manager

Approved as to form:

Robert J. Slentz
Robert J. Slentz, Town Attorney

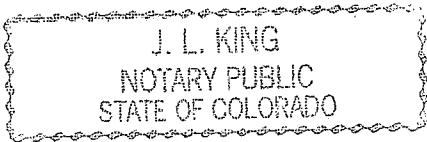
STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this 26th day of April, 2006, by Mark Stevens as Town Manager the Town of Castle Rock.

Witness my official hand and seal.
My Commission expires: 9-21-07.

(SEAL)

J. L. King
Notary Public



SUBDIVIDER:

M.D.C. LAND CORPORATION,
a Colorado corporation.

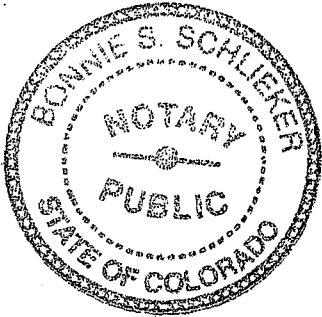
By: Michael Touff

Its: _____

STATE OF Colorado)
City of) ss.
COUNTY OF Denver)

The foregoing instrument was acknowledged before me, this 21st day of February, 2007, by Michael Touff as Vice President for M.D.C. Land Corporation, a Colorado corporation.

Witness my hand and official seal.
My commission expires: 11-3-06



Bonnie S. Schlieker
Notary Public

BOARD DIRECTORS JOINDER

By execution of this Agreement, the undersigned Board Directors hereby join this Agreement for the purposes set forth in Recital D and subject to the exculpation provisions of Section 35 hereof.

BOARD DIRECTORS:



Thomas A. Zieske

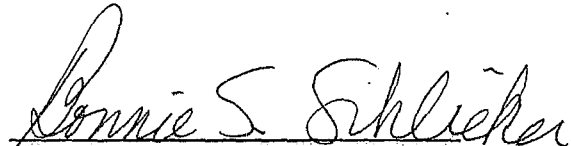
State of Colorado
City) ss.
County of Denver

The foregoing instrument was acknowledged before me this 21st day of February, 2005 by Thomas A. Zieske.

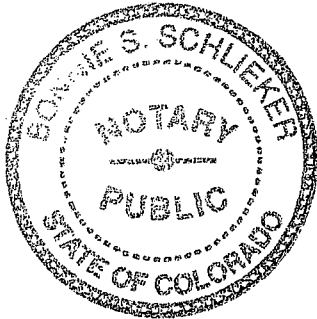
Witness my official hand and seal.

My commission expires: 11-13-06

(SEAL)



Notary Public



James L. Yates
James L. Yates

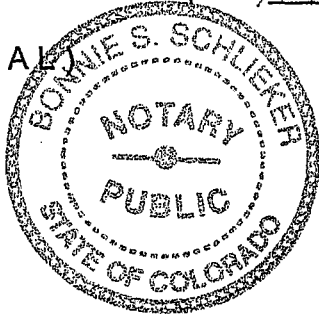
State of Colorado)
City of Denver) ss.
County of Denver

The foregoing instrument was acknowledged before me this 21st day of February, 2005, by James L. Yates.

Witness my official hand and seal.

My commission expires: 11-13-06

(SEAL)



Bonnie S. Schlieker
Notary Public

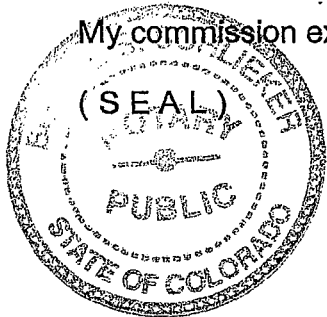
John J. Heaney
John J. Heaney

State of Colorado)
City of Denver) ss.
County of Denver

The foregoing instrument was acknowledged before me this 21st day of February, 2005, by John J. Heaney.

Witness my official hand and seal.

My commission expires: 11-13-06



Bonnie S. Schlieker
Notary Public

EXHIBIT 1

A parcel of land located in Sections 20, 21, 22, 27, 28, and 29, also being a portion of Castle Oaks and located in Township 7 South, Range 66 West of the Sixth Principal Meridian, County of Douglas, State of Colorado, more particularly described as follows:

Beginning at the Northwest corner of said Section 29;
thence N89°36'13"E along the North line of the Northwest quarter of said Section 29, 1317.11 feet to the Southwest corner of the Southeast quarter of the Southwest quarter of said Section 20;
thence N00°02'28"W along the West line of the Southeast quarter of the Southwest quarter of said Section 20, 1324.69 feet to the Northwest corner of the Southeast quarter of the Southwest quarter of said Section 20;
thence N89°33'52"E along the North line of the South half of the South half of said Section 20, 2537.52 feet to the Southwest corner of the Northeast quarter of the Southeast quarter of said Section 20;
thence N00°02'30"E along the West line of the Northeast quarter of the Southeast quarter of said Section 20, 1326.56 feet to the Northwest corner of the Northeast quarter of the Southeast quarter of said Section 20;
thence N89°31'28"E along the North line of the Northeast quarter of the Southeast quarter of said Section 20, 1316.72 feet to the Northwest corner of the Northwest quarter of the Southwest quarter of said Section 21;
thence N89°41'42"E along the North line of the South half of said Section 21, 1318.99 feet to the Northwest corner of the Northeast quarter of the Southwest quarter of said Section 21;
thence continuing N89°41'42"E along the North line of the South half of said Section 21, 3957.01 feet to the Southwest corner of the Northwest quarter of the Northwest quarter of said Section 22;
thence N00°16'22"E along the West line of the Southwest quarter of the Northwest quarter of said Section 22, 1325.60 feet to the Northwest corner of the Southwest quarter of the Northwest quarter of said Section 22;
thence S89°53'21"E along the North line of the Southwest quarter of the Northwest quarter of said Section 22, 1323.73 feet to the Northeast corner of the Southwest quarter of the Northwest quarter of said Section 22;
thence S00°14'49"W along the East line of the Southwest quarter of the Northwest quarter of said Section 22, 1325.20 feet to the Northeast corner of the West half of the Southwest quarter of said Section 22;
thence S00°13'43"W along the East line of the West half of the Southwest quarter of said Section 22, 2654.84 feet to the Northeast corner of the Northwest quarter of the Northwest quarter of said Section 27;
thence S00°06'30"W along the East line of the Northwest quarter of the Northwest quarter of said Section 27, 834.81 feet to a line 493.48 feet North of and parallel with the South line of the North half of the North half of said Section 27;
thence S89°57'52"E along said line, 2562.58 feet to the West right-of-way line of Colorado Highway No. 83;
thence S02°13'33"W along said West right-of-way line, 398.12 feet to a point of curve;
thence along said West right-of-way line and along said curve to the left having a radius of 11530.00 feet, a central angle of 00°28'32", 95.71 feet to the South line of the North half of the North half of said Section 27;
thence N89°57'52"W along the South line of the North half of the North half of said Section 27, 2544.73 feet to the Southwest corner of the Northeast quarter of the Northwest quarter of said Section 27;
thence continuing N89°57'52"W along the South line of the North half of the North half of said Section 27, 1324.29 feet to the Southeast corner of the Northeast quarter of the Northeast quarter of said Section 28;
thence S89°28'47"W along the South line of the North half of the Northeast quarter of said Section 28, 2634.25 feet to the Southwest corner of the Northeast quarter of the Northwest quarter of said Section 28;
thence S89°49'02"W along the South line of the Northeast quarter of the Northwest quarter of said Section 28, 1315.83 feet to the Southwest corner of the Northeast quarter of the Northwest quarter of said Section 28;
thence N00°05'13"E along the West line of the Northeast quarter of the Northwest quarter of said Section 28 and the East line of Outlet D of said Castle Oaks, 1645.40 feet to the South right-of-way line of Pleasant View Drive as platted in said Castle Oaks;
thence along the South right-of-way line of said Pleasant View Drive the following seven (7) courses:

1. thence S50°38'08"W, 161.73 feet to a point of curve;
2. thence along said curve to the left having a radius of 210.00 feet, a central angle of 64°00'00", 197.92 feet to a point of reverse curve;
3. thence along said curve to the right having a radius of 270.00 feet, a central angle of 90°00'00", 424.12 feet to a point of reverse curve;
4. thence along said curve to the left having a radius of 370.00 feet, a central angle of 56°00'00", 361.83 feet to a point of tangent;
5. thence S30°38'08"W along said tangent, 280.00 feet to a point of curve;
6. thence along said curve to the right having a radius of 430.00 feet, a central angle of 57°48'57", 433.90 feet to a point of tangent;
7. thence S88°27'05"W along said tangent, 303.87 feet to the Northwest corner of said Outlet D;

thence S26°25'07"E along the West line of said Outlet D, 511.10 feet to the East line of the Northeast quarter of said Section 29;
thence S00°04'53"W along the East line of said Northeast quarter, 5.76 feet to the Southwest corner of the Northwest quarter of the Northwest quarter of said Section 29;
thence S00°04'53"W along the East line of the Northeast quarter of said Section 29, 1333.14 feet to the East quarter corner of said Section 29;
thence S00°04'53"W along the East line of the Southeast quarter of said Section 29, 2666.28 feet to the Southeast corner of said Section 29;
thence S89°49'31"W along the South line of the Southeast quarter of said Section 29, 782.02 feet;
thence N00°10'29"W, 14.80 feet to the Southwest corner of Lot 4, Block B of said Castle Oaks;
thence N19°56'15"W along the West line of said Lot 4, 1299.64 feet to a point on a curve on the right-of-way line of Antelope Place as platted in said Castle Oaks;
thence along the southerly right-of-way line of said Antelope Place the following four (4) courses:

1. thence along said curve to the right having a radius of 92.50 feet, a central angle of 126°37'54" (the chord of which bears N46°36'57"W, 165.30 feet), 204.45 feet;
2. thence N64°22'31"W, 141.04 feet to a point of curve;
3. thence along said curve to the left having a radius of 370.00 feet, a central angle of 11°34'22", 74.73 feet to a point of tangent;
4. thence N65°56'53"W along said tangent, 145.32 feet to the East right-of-way line of Pleasant View Drive;

thence along the East right-of-way line of said Pleasant View Drive the following three (3) courses:

1. thence S25°57'43"W, 95.82 feet to a point of curve;
2. thence along said curve to the right having a radius of 430.00 feet, a central angle of 30°59'00", 232.53 feet to a point of tangent;
3. thence S56°56'43"W along said tangent, 156.72 feet;

thence N67°32'40"W, 70.54 feet to the Southeast corner of Lot 11, Block 7 of said Castle Oaks;
thence along the boundary of Lots 2, 3, 4, 8, 9, 10, and 11, Block 7 of said Castle Oaks the following seven (7) courses:

1. thence N53°04'08"W along the southerly line of said Lot 11, 380.75 feet to the Southwest corner of said Lot 11;
2. thence N25°29'33"E along the West line of said Lot 11, 720.00 feet to the Southwest corner of Lot 10;
3. thence N19°29'33"E along the West line of said Lot 10, 1165.00 feet to the Southwest corner of Lot 9;
4. thence N21°49'56"W along the West line of said Lot 9, 672.52 feet to the corner common to Lots 3, 4, 8, 9, 18, and 19 of Block 7;
5. thence S87°12'33"W along the South line of said Lot 3, 649.13 feet to the Southwest corner of said Lot 3;
6. thence S57°23'50"W along the southwesterly line of Lot 2, 799.94 feet to the southernmost corner of said Lot 2;
7. thence N50°33'52"W along the southwesterly line of said Lot 2, 275.47 feet to the Southwest corner of said Lot 2;

thence S28°23'19"W along the East right-of-way line of Castle Oaks Drive, as platted in said Castle Oaks, 1180.45 feet to the Northwest corner of Lot 14, Block 6 of said Castle Oaks Filing No. 1;
thence along the boundary of Lots 12, 13, and 14, Block 6 of said Castle Oaks the following five (5) courses:

1. thence S80°13'43"E along the North line of Lot 14, 806.48 feet to the Northeast corner of said Lot 14;
2. thence S00°31'41"W along the East line of said Lot 14, 674.61 feet to the Northeast corner of Lot 13;
3. thence S29°23'28"W along the East line of said Lot 13, 1040.00 feet to the Northeast corner of Lot 12;
4. thence S45°23'28"W along the East line of said Lot 12, 592.53 feet to the Southeast corner of said Lot 12;
5. thence S87°35'55"W along the South line of said Lot 12, 721.94 feet to the East right-of-way line of said Castle Oaks Drive;

thence N26°31'56"E along said East right-of-way line of said Castle Oaks Drive, 457.48 feet;
thence N17°31'51"W, 112.01 feet to the Southeast corner of Lot 16, Block 2 of said Castle Oaks;
thence N50°35'12"W along the southerly line of said Lot 16, 771.72 feet to the Northwest corner of the Southwest quarter of the Southwest quarter of said Section 29;
thence N00°23'10"E along the West line of the Northwest quarter of the Southwest quarter of said Section 29, 1323.73 feet to the West quarter corner of said Section 29;
thence N00°23'12"E along the West line of the Northwest quarter of said Section 29, 2646.55 feet to the Point of Beginning containing 1262.07 acres, more or less.

EXHIBIT 2

LEGAL DESCRIPTION

REGIONAL PARK LEGAL DESCRIPTION:

AN IRREGULAR PARCEL OF LAND LYING IN THE SOUTHEAST QUARTER OF SECTION 21, THE SOUTHWEST QUARTER OF SECTION 22, THE NORTHWEST QUARTER OF SECTION 22 AND THE NORTHWEST QUARTER OF SECTION 27, TOWNSHIP 7 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 22;
THENCE ALONG THE EAST LINE OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 22 $S00^{\circ}14'49''W$, 208.71 FEET TO THE POINT OF BEGINNING;
THENCE CONTINUING ALONG THE EAST LINE OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 22 $S00^{\circ}14'49''W$, 1116.49 FEET TO THE NORTHEAST CORNER OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 22;
THENCE ALONG THE EAST LINE OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 22 $S00^{\circ}13'43''W$, 189.63 FEET;
THENCE $S87^{\circ}48'55''W$, 28.91 FEET;
THENCE $S10^{\circ}51'11''W$, 231.92 FEET;
THENCE $S00^{\circ}02'23''E$, 449.42 FEET;
THENCE $S61^{\circ}32'47''W$, 25.87 FEET;
THENCE $N65^{\circ}55'27''W$, 353.15 FEET TO A POINT ON A CURVE;
THENCE ALONG THE ARC OF SAID CURVE TO THE LEFT HAVING A RADIUS OF 349.12 FEET AND A CENTRAL ANGLE OF $126^{\circ}48'03''$ (THE CHORD OF WHICH BEARS $S32^{\circ}15'53''E$, 624.34 FEET), 772.64 FEET;
THENCE $N89^{\circ}15'05''E$, 79.86 FEET TO THE EAST LINE OF THE THE WEST HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 22;
THENCE ALONG THE EAST LINE OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 22 $S00^{\circ}13'43''W$, 400.53 FEET;
THENCE $S37^{\circ}51'14''W$, 117.38 FEET;
THENCE $S54^{\circ}06'23''W$, 72.42 FEET;
THENCE $S58^{\circ}15'49''W$, 73.63 FEET;
THENCE $S68^{\circ}26'14''W$, 50.83 FEET;
THENCE $S51^{\circ}21'53''W$, 10.94 FEET;
THENCE $N38^{\circ}38'07''W$, 190.00 FEET;
THENCE $S51^{\circ}21'53''W$, 220.00 FEET;
THENCE $S38^{\circ}38'07''E$, 184.16 FEET;
THENCE $N90^{\circ}00'00''E$, 52.63 FEET;
THENCE $S03^{\circ}40'15''E$, 245.21 FEET;
THENCE $S05^{\circ}26'22''E$, 137.98 FEET;
THENCE $S06^{\circ}25'39''E$, 201.35 FEET;
THENCE $S34^{\circ}18'36''E$, 273.47 FEET;
THENCE $S49^{\circ}45'09''E$, 44.04 FEET;

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THENCE S01°37'03"E, 20.85 FEET;
THENCE S07°01'26"W, 27.44 FEET;
THENCE S04°41'41"W, 32.57 FEET;
THENCE S04°37'43"E, 35.45 FEET;
THENCE S05°07'39"E, 25.40 FEET;
THENCE S45°46'01"E, 17.47 FEET;
THENCE S24°17'52"E, 19.47 FEET;
THENCE S17°28'55"E, 26.17 FEET;
THENCE S16°58'12"W, 27.78 FEET;
THENCE S12°32'11"E, 31.58 FEET;
THENCE S30°58'46"E, 39.96 FEET;
THENCE S23°38'33"E, 29.92 FEET;
THENCE S14°03'00"E, 36.97 FEET;
THENCE S03°37'24"W, 28.11 FEET;
THENCE S01°11'02"W, 24.87 FEET;
THENCE S01°57'13"W, 29.69 FEET;
THENCE S00°11'21"E, 33.30 FEET;
THENCE S15°21'24"E, 19.62 FEET;
THENCE S46°24'53"E, 19.45 FEET;
THENCE S48°16'02"E, 33.60 FEET;
THENCE S48°15'29"E, 24.23 FEET TO THE EAST LINE OF THE NORTHWEST
QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 27;
THENCE ALONG THE EAST LINE OF THE NORTHWEST QUARTER OF THE NORTHWEST
QUARTER OF SAID SECTION 27 S00°06'30"W, 119.65 FEET;
THENCE S89°57'52"E, 34.08 FEET;
THENCE S08°11'02"W, 16.99 FEET;
THENCE S00°40'46"W, 45.32 FEET;
THENCE S10°52'44"W, 37.90 FEET;
THENCE S17°26'57"W, 28.48 FEET;
THENCE S30°14'32"W, 26.28 FEET;
THENCE S36°42'16"W, 35.70 FEET;
THENCE S29°59'22"W, 24.84 FEET;
THENCE S31°26'59"W, 36.41 FEET;
THENCE S22°31'35"W, 44.94 FEET;
THENCE S21°57'34"W, 42.65 FEET;
THENCE S13°14'16"W, 45.98 FEET;
THENCE S03°17'48"E, 42.22 FEET;
THENCE N89°57'52"W, 945.86 FEET;
THENCE N01°21'00"W, 2590.94 FEET;
THENCE N23°24'40"W, 1085.06 FEET;
THENCE N63°04'00"E, 244.16 FEET;
THENCE N00°00'00"E, 193.09 FEET;
THENCE N00°16'23"E, 921.08 FEET;
THENCE N59°53'21"E, 138.90 FEET;

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THENCE N65°00'01"E, 190.34 FEET;
THENCE N53°15'45"E, 65.56 FEET;
THENCE N59°30'06"E, 77.36 FEET;
THENCE N67°04'33"E, 81.74 FEET;
THENCE N68°44'34"E, 75.72 FEET;
THENCE N63°27'48"E, 114.11 FEET;
THENCE N57°28'11"E, 119.36 FEET TO A POINT ON THE NORTH LINE OF THE
SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 22;
THENCE ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE NORTHWEST
QUARTER OF SAID SECTION 22 N89°53'21"E, 356.52 FEET TO THE NORTHWEST
CORNER OF THAT PARCEL OF LAND DESCRIBED AT RECEPTION NO. 2004018625,
DOUGLAS COUNTY RECORDS;
THENCE ALONG THE WEST LINE OF THAT PARCEL OF LAND DESCRIBED AT
RECEPTION NO. 2004018625 S00°14'49"W, 208.43 FEET;
THENCE ALONG THE SOUTH LINE OF THAT PARCEL OF LAND DESCRIBED AT
RECEPTION NO. 2004018625 S89°48'44"E, 208.71 FEET TO THE POINT OF
BEGINNING,
COUNTY OF DOUGLAS,
STATE OF COLORADO.

EXCEPTING THEREFROM:

AN IRREGULAR PARCEL OF LAND LYING IN THE SOUTHWEST QUARTER OF THE
SOUTHWEST QUARTER OF SECTION 22 AND IN THE NORTHWEST QUARTER OF THE
NORTHWEST QUARTER OF SECTION 27, TOWNSHIP 7 SOUTH, RANGE 66 WEST OF
THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE
PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE
NORTHWEST QUARTER OF SAID SECTION 22, FROM WHICH THE THE SOUTHEAST CORNER OF
THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 22 BEARS
S00°14'49"W;
THENCE S05°39'06"W, 3911.54 FEET TO THE POINT OF BEGINNING;
THENCE S12°03'19"E, 90.27 FEET;
THENCE S32°46'18"E, 116.13 FEET;
THENCE S32°16'20"E, 120.79 FEET;
THENCE S33°55'33"E, 82.75 FEET;
THENCE S00°43'30"W, 90.54 FEET;
THENCE S70°12'00"W, 35.30 FEET;
THENCE S71°19'12"W, 19.49 FEET;
THENCE S78°29'03"W, 19.78 FEET;
THENCE S78°41'38"W, 11.52 FEET;

Continued on next page

THENCE S83°28'22"W, 16.03 FEET;
THENCE S89°48'24"W, 16.40 FEET;
THENCE N83°58'10"W, 19.53 FEET;
THENCE N81°29'21"W, 26.36 FEET;
THENCE N81°24'37"W, 14.66 FEET;
THENCE N76°16'13"W, 13.89 FEET;
THENCE N53°07'35"W, 10.23 FEET;
THENCE N39°31'55"W, 8.12 FEET;
THENCE N19°26'55"W, 9.84 FEET;
THENCE N15°35'42"W, 9.95 FEET;
THENCE N14°07'54"W, 16.47 FEET;
THENCE N19°09'16"W, 20.91 FEET;
THENCE N20°51'16"W, 15.80 FEET;
THENCE N20°28'34"W, 18.42 FEET;
THENCE N10°41'28"W, 18.50 FEET;
THENCE N23°49'56"W, 19.94 FEET;
THENCE N20°36'55"W, 14.81 FEET;
THENCE N22°57'29"W, 15.70 FEET;
THENCE N20°15'51"W, 15.95 FEET;
THENCE N26°05'06"W, 21.08 FEET;
THENCE N22°11'24"W, 123.31 FEET;
THENCE N23°06'40"W, 37.18 FEET;
THENCE N25°00'28"W, 6.27 FEET;
THENCE N03°29'46"W, 5.51 FEET;
THENCE N15°03'59"E, 5.29 FEET;
THENCE N36°18'52"E, 7.24 FEET;
THENCE N33°56'29"E, 16.24 FEET;
THENCE N34°02'52"E, 16.02 FEET;
THENCE N35°15'17"E, 15.03 FEET;
THENCE N45°50'38"E, 18.67 FEET;
THENCE N44°45'23"E, 18.88 FEET;
THENCE N58°42'01"E, 8.89 FEET;
THENCE N59°47'09"E, 15.98 FEET;
THENCE N61°12'09"E, 6.33 FEET;
THENCE N57°56'42"E, 13.36 FEET;
THENCE N59°50'42"E, 17.15 FEET;
THENCE N63°08'09"E, 11.01 FEET;
THENCE N82°12'08"E, 7.81 FEET;
THENCE S89°21'49"E, 5.33 FEET;
THENCE S61°46'58"E, 5.84 FEET;
THENCE S06°56'22"E, 6.14 FEET TO THE POINT OF BEGINNING,
COUNTY OF DOUGLAS,
STATE OF COLORADO.

Continued on next page

EXCEPTING THEREFROM:

THAT PORTION OF SUBJECT PROPERTY MORE PARTICULARLY DESCRIBED IN DEED FROM
GARY MILLER TO THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS,
RECORDED MAY 24, 1995 IN BOOK 1264 AT PAGE 1611,
COUNTY OF DOUGLAS,
STATE OF COLORADO.

(EXEMPLAR – NOT FOR EXECUTION)

**EXHIBIT 3
PUBLIC IMPROVEMENTS CONVEYANCE AND INITIAL ACCEPTANCE**

TRANSFEROR:

TRANSFeree: Town of Castle Rock, a municipal corporation ("Town")
100 Wilcox Street
Castle Rock, Colorado 80104

Transferor has caused to be constructed certain public improvements and facilities described in the attached **Exhibit A** (the "Improvements"), as required by Town to serve Liberty Village Filing No. 1. Town will assume the obligation for maintenance and operation of the Improvements, located in rights-of-way, easements or other real property owned by Town, upon the conveyance of the Improvements to Town.

THEREFORE, Transferor grants, conveys and transfers to Town all its interest (real or personal) and title to the Improvements subject to the following:

1. Transferor warrants to Town that Transferor has a good title to the Improvements, free and clear of any lien, claim or right of any third party in or to the Improvements, and Transferor will defend Town's title to the Improvements against the claim of any third party.
2. Transferor warrants that the Improvements are located within the easement, right-of-way or other real property interest designated by the Town for siting of the Improvements. Town acknowledges receipt of as-built drawings of the Improvements dated _____.
3. Transferor warrants that, as constructed, all Improvements are in conformance with the current Town of Castle Rock standards and the approved construction plans, and are free from defects in design, material or workmanship. This warranty is for the period prescribed by the Town's Public Works Regulations commencing on the date of acceptance made below.
4. Transferor represents that the approximate amount of direct costs of construction of the Improvements (excluding engineering, financing, insurance, etc.), as determined in accordance with usual and customary construction accounting practices is as follows:

(EXEMPLAR – NOT FOR EXECUTION)

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

5. Transferor concurrently submits to Town the surety attached as **Exhibit B** in the amount of 15% of the above total to secure Transferor's warranty obligation on the Improvements.

TRANSFEROR:

By: _____

Its: _____

ACCORDINGLY, Town accepts for ownership and maintenance of the Improvements effective _____, 200__.

TOWN OF CASTLE ROCK

Engineering Division



DRAFT

CERTIFICATE NO. ____ of 230

PREPAID WATER SYSTEM DEVELOPMENT FEE CERTIFICATE

LIBERTY VILLAGE, FILING 1

This certificate is issued upon prepayment of 100% of the Water System Development fee imposed under 13.12.080 of the Castle Rock Municipal Code at the time of payment less \$250.00 per Section 11 of the Liberty Village, Filing 1, Subdivision Improvement Agreement. At redemption/tender of this certificate owner or builder will be required to pay all other fees and development exactions imposed under Town regulations.

STREET ADDRESS ON BUILDING PERMIT APPLICATION

BUILDING PERMIT NUMBER

LEGAL DESCRIPTION:

LOT

BLOCK

Liberty Village, Filing 1

SUBDIVISION NAME AND FILING NO.

(SEAL)

FINANCE DIRECTOR'S SIGNATURE

DATE ISSUED

EXHIBIT 4