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CAROLE R. MURRAY Clerk & Recorder

METZLER RANCH FILING NO. 3
SUBDIVISION IMPROVEMENTS AGREEMENT

DATE: May 6, 2001.

PARTIES: **TOWN OF CASTLE ROCK,** a municipal corporation ("Town"), 680 N. Wilcox Street, Castle Rock, Colorado 80104.

VISTA VILLAGE LLC, a Colorado limited liability company, 150 S. Dahlia, Denver, Colorado 80246 and **RRMM CORP**, a Colorado corporation, P.O. Box 85 (collectively, "Subdivider").

MORTAGEES: **Robert F. Metzler and Rosemary M. Metzler**

RECITALS:

A. Subdivider desires to plat and subdivide certain property within the Town known as Metzler Ranch Filing No. 3 (the "Subdivision"), more particularly described in the attached ***Exhibit 1*** (the "Property").

B. The subdivision regulations of the Code require that the Subdivider construct the public improvements necessary to provide municipal utilities and services to the Subdivision in accordance with the Town public works regulations. By this Agreement, the parties address the conditions for construction of such improvements.

C. This Agreement is intended to protect the Town from any liability or cost which may result from the failure of the Subdivider to complete construction of such public improvements to Town standards. This Agreement is not made for the benefit of any other party and no representation is made by Town to any owner of a lot or tract within the Subdivision that all necessary subdivision infrastructure will be completed by the Town in the event of a default by Subdivider.

D. Mortgagees are parties to this Agreement solely for the purpose of subordinating its lien and interest in the property to the terms of 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 Metzler Ranch Filing No. 3 Subdivision Improvements Agreement.

Code: the Castle Rock Municipal Code, as amended.

Development Agreement: the Metzler Ranch Development Agreement between the Town of Castle Rock, Robert F. Metzler, Rosemary M. Metzler and Vista Village, LLC, dated October 24, 1996, recorded December 24, 1997 at Reception No. 9672147, beginning in Book 1396 at Page 1742, as amended by the First Amendment to Metzler Ranch Development Agreement dated January 8, 1998, recorded May 13, 1998 at Reception No. 9836533, beginning in Book 1549 at Page 304 of the Records.

Director: the Town's Director of Public Works, or his/her designee.

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

Final Site Plan: the Final PD Site Plan for the Subdivision as approved by the Town.

Improvements: the water, wastewater, stormwater drainage, transportation and landscaping or other systems or infrastructure required to be constructed under applicable Town regulations to serve the Subdivision (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 under the Final Site Plan.

Plans: the description of the Improvements on the Preliminary Plat and related documents as modified and supplemented by approved construction plans and drawings, together with the landscaping plan approved with the Final Site Plan.

Preliminary Plat: the Metzler Ranch Filing No. 3 preliminary subdivision plat approved by the Town on September 14, 2000.

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

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

Security Agreement: the Development and Escrow Agreement dated April 25, 2001 between the Town, Vista Village LLC, RRMM Corp., Peregrine Group Development, LLC and Land Title Guarantee Company.

Subdivision: the Metzler Ranch Filing No. 3 subdivision.

Town Regulations: the Code, inclusive of the Town public works regulations, as the same

may be amended from time to time.

Vista: Vista Village LLC, the master developer of Metzler Ranch, and party to the Development Agreement.

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. In the event Subdivider has not obtained all necessary Town permits and approvals and commenced construction of one or more of the Improvements within one year of the date of recordation of this Agreement, the Town's approval of the Subdivision shall lapse. As a condition to commencement of construction of any of the Improvements thereafter, Subdivider shall demonstrate to the Town Council good cause for the delay and its good faith intention and financial ability to proceed and complete development of the Subdivision; provided that Subdivider shall not be required to resubmit a land use application for the Subdivision.

The Improvements must be completed not later than one year after the date of issuance of the public works permit for the Improvements, provided that the completion date may be extended by the Director for up to six 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 and the Security (see section 5) is extended through the required completion date. The completion date for the Subdivision grading is governed by the Security Agreement.

The requirements for completion of Landscaping are contained in section 6.

Section 3. **Restrictions Pending Completion of Improvements.** No building permits shall be issued by Town 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. No certificates of occupancy shall be issued for structures unless the Improvements have been accepted by the Town as provided in section 4.

The Director, in his/her absolute discretion, may authorize issuance of one or more designated building permits prior to substantial completion, if unusual and unanticipated circumstances warrant granting a relaxation of the substantial completion requirement. In such event, the Director may impose the condition that all work must cease under such building permit if the Improvements are not substantially completed by the date specified in the permit. Unless the underlying Security is a cash escrow, or letter of credit, Subdivider shall establish a cash escrow in the amount of 115% of the estimated cost of completion of the Improvements, which escrow shall be supplemental to the underlying Security. In no event shall the Director authorize the issuance of a building permit unless there is adequate emergency access to the site and the water system is completed sufficiently to provide adequate fire flows for fire protection.

The requirements for completion of Landscaping are contained in section 6.

Because the Subdivision abuts an existing public street and water service is available for public safety purposes in proximity to the Subdivision, the Property will qualify for issuance of building permits prior to the completion of the Improvements. However, no certificates of occupancy shall be issued unless the Improvements have been initially accepted by Town for maintenance in accordance with the process outlined in section 4.

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

With cure of non-conforming work, receipt of as-built plans 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, the applicable warranty period commences.

The acceptance process for Landscaping is addressed in section 6.

Section 5. Improvements Security. In accordance with Town Regulations, as modified by the Development Agreement, Subdivider shall provide Town with a cash deposit to be held in escrow in accordance with the Security Agreement (the "Security") in the amount of 100% of the estimated construction cost of the Improvements (excluding the grading costs attributable to the Improvements for which separate financial assurances have been furnished Town). The Security shall be delivered to Town prior to and as a condition of the issuance of the first public works permit for the Improvements. All construction cost estimates shall be submitted by Subdivider's registered civil engineer and reviewed and approved by the Town's engineering division, which cost estimates shall be used to estimate the Security requirement.

The purpose of the Security is to provide Town with the financial resources to mitigate any public health and safety hazards and/or regrade and revegetate the Property and/or complete construction or installation of any of the 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 Subdivider.

In accordance with the Development Agreement and Security Agreement, the Security shall be

reduced periodically during the course of construction of the Improvements by 85% of the amount disbursed by the Subdivider to its contractor, provided Town shall first approve the certification of Subdivider's engineer that the payment reflects the progress in completion of the Improvements. Such action by Town shall be made within 15 days of receipt of engineer's certification.

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. The release of the Security applicable to Landscaping is subject to the further restrictions and requirements of section 6.

Section 6. **Landscaping.** Subdivider shall make best efforts to complete all Landscaping in conjunction with completion of the Improvements. Inspection of Landscaping by the Town shall be made in the same manner as prescribed for Improvements under section 4.

With Town's acceptance of the Landscaping concurrently with the Improvements, the Security pertaining to the Landscaping shall be reduced to 15% of the actual cost of the Landscaping. In such event, the warranty Security pertaining to the Landscaping shall be released in accordance with Town Regulations.

In the event that at the time the Town accepts the Improvements the 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 Landscaping to be held by Town as security for completion of the Landscaping (the "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 certificate of occupancy;

(d) upon receipt of the Landscape Deposit, the Town will release that portion of the Security applicable to the 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 complete the Landscaping;

(g) within 10 days of completion of the 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 Landscaping shall commence;

(h) if at the end of such 180 day period the 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 Landscaping in the event the Landscape Deposit is insufficient to fund completion;

(i) Town shall promptly return to Subdivider any portion of the Landscape Deposit which remains after the Town has completed the Landscaping, less a 15% hold-back for the warranty period; and

(j) the Landscape Deposit held for the warranty shall promptly be released to Subdivider upon expiration of the Landscaping warranty and Town's final acceptance of the Landscaping.

The above-obligations placed on Subdivider may be assigned to and assumed by a purchaser or developer of a Subdivision lot, with respect to the Landscaping required to be installed with the development of such Lot.

Section 7. **Water Supply**. In accordance with Article IV of the Development Agreement, 12 SFE from the Metzler Ranch Water Bank 1, and 40 SFE from the Metzler Ranch Water Bank 2 have been applied to meet the water supply requirements for the Subdivision (the total of 52 SFE is referred to as 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.

To the extent that the water demand created by development on the Property (computed in accordance with the Development Agreement and Town ordinances and regulations), exceeds the Subdivision Water Credit, Subdivider must obtain from the owners of the Metzler Ranch Water Banks additional SFE, or, at Subdivider's election, Subdivider must provide additional water resources in accordance with chapter 4.04 of the Code, sufficient to meet the demand in excess of the initial Subdivision Water Credit. Absent compliance with this section, Town may withhold building permits on the Property for any proposed use, which, after taking into account all previous development on the Property, will create an aggregate water demand in excess of the Subdivision Water Credit. Should the Subdivision Water Credit not be fully utilized after full development of the Subdivision, the remaining SFE shall revert 12/52 the Metzler Ranch Water Bank 1 and 40/52 to the Metzler Ranch Water Bank 2.

Section 8. **Public Land Conveyance.** Concurrently with recordation of this Agreement, Subdivider shall tender to Town special warranty deeds to Tracts B, C, and D. The manner of

conveyance of such Tracts, title insurance and quality of title shall be in accordance with the applicable provisions of section 7.04 of the Development Agreement. Property taxes on the Tracts shall be prorated and paid by Subdivider.

Section 9. **Reserve Areas.** A 23-foot wide tract adjacent to Founders Parkway right-of-way, and an 8.5-foot wide tract adjacent to the proposed Allen Street right-of-way (the "Reserve Areas") are designated on the Final Plat. The Reserve Areas were created and set aside at the request of Town for acquisition in the future as additional right-of-way for improving these two roadways. In the event that the Town or other public entity should seek to acquire the Reserve Areas, just compensation to be paid the owner for the Reserve Area(s) shall be determined in accordance with applicable law. In the interim, the use by Subdivider of the Reserve Areas is limited to landscaping and underground utilities.

Section 10. **Application of Development Agreement.** The Improvements to be constructed by Subdivider are inclusive of the "Facilities," for which development responsibility is allocated to Vista under the Development Agreement, other than those Facilities for which development is deferred by separate agreement between Town and Vista. This Agreement contains all of the development and financial obligations applicable to the Subdivision (other than imposition of fees and exactions under the Town Regulations), including any such obligations under the Development Agreement. A default by Vista or any other party under the Development Agreement shall in no manner impair or affect Subdivider's right to complete development of the Subdivision in accordance with this Agreement and Town Regulations and obtain necessary permits and approvals from Town.

Section 11. **Default.** The following occurrences constitute a default by the Subdivider:

(a) failure to commence or complete construction of the Improvements within the time periods prescribed in section 2 above;

(b) failure to cure the defective construction of any Improvement within the applicable cure period;

(c) failure to perform work on the Improvements required by this Agreement within the Subdivision for a period of more than 120 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; or

(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 (both Vista and RRMM) of the occurrence of an event of default. Subdivider

(either Vista or RRMM) shall have 30 calendar days from the receipt of such notice to cure the default; provided however, with respect to those failures which cannot with due diligence be cured within said 30-day period, Subdivider shall not be deemed to be in default hereunder if cure of such default is commenced within such 30-day period and thereafter continues the curing of such default with all due diligence. If timely cure of the noticed default(s) is not accomplished, Town shall thereafter be entitled to pursue its remedies against Subdivider.

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

(a) if Improvements have not been timely completed, call the Security in accordance with its terms, and apply the Security for the Remedial Work. Subdivider (Vista and RRMM) grant to Town and, if applicable, the surety, and their employees, agents and contractors, a non-exclusive right and easement to enter onto the Property for the purpose of undertaking the Remedial Work after an uncured default;

(b) if Improvements have not been timely completed, withhold issuance of building permits, certificates of occupancy and tap connections within the Property;

(c) record a notice of non-compliance with this Agreement in the public 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 the Agreement.

Section 13. **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 Improvements by Subdivider.

Section 14. **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 15. **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 16. **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:
Vista Village, LLC
150 S. Dahlia Street
Denver, CO 80246

RRMM Corp.
P.O Box 85
Castle Rock, CO 80104

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

Section 17. **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 18. **Immunity**. Nothing contained in this Agreement constitutes a waiver of the Town's sovereign immunity under any applicable state law.

TOWN OF CASTLE ROCK

Mark Stevens, Town Manager

Approved as to form:

Robert J. Slentz, Town Attorney

STATE OF COLORADO)
) ss.
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me this 8TH day of June, 2001, by Mark Stevens, Town Manager of the Town of Castle Rock.

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

J. L. KING
NOTARY PUBLIC
STATE OF COLORADO

Notary Public

SUBDIVIDER:

VISTA VILLAGE, LLC, a Colorado limited liability company

By: Winterpark Homes Limited Liability Company, a Colorado limited liability company, Manager

Its: by:
Arthur Kleinstein, Manager

CITY AND COUNTY OF DENVER)
) ss.
STATE OF COLORADO)

The foregoing instrument was acknowledged before me this 6th day of May, 2001 by Arthur Kleinstein as manager of Winterpark Homes Limited as the limited Company, a Colorado limited liability company as manager for Vista Village, LLC, a Colorado limited liability company.

Witness my official hand and seal.
My commission expires: 11/9/04.

(SEAL)

NOTARY PUBLIC
STEPHEN W. ARENT
STATE OF COLORADO

Notary Public

RRMM CORP.

By: Robert F. Metzler

Its: President

STATE OF)
) **ss.**
COUNTY OF)

The foregoing instrument was acknowledged before me this 9th day of May, 2001 by ROBERT F. METZLER as PRESIDENT for RRMM Corp.

Witness my official hand and seal.

My commission expires: 10-23-2001

(SEAL)

Cheryl L. Kagel
Notary Public

CHERYL L. KAGEL NOTARY PUBLIC STATE OF COLORADO

MORTGAGEE JOINDER

By execution of this Agreement, Mortgagees subordinate their lien and interest in the Property created by Deed of Trust recorded October 17, 2000 beginning in Book 1922 at Page 2301, to the real covenants and restrictions of this Agreement. Mortgagees shall have no affirmative obligation hereunder, nor shall Town have the right to seek performance of this Agreement from Mortgagees except in the event Mortgagees acquire legal title to the Property, in which event Mortgagees shall be bound by the terms, conditions and restrictions of this Agreement.

MORTGAGEES:

Robert F. Metzler

Rosemary M. Metzler

STATE OF COLORADO)
) **ss.**
COUNTY OF)

The foregoing instrument was acknowledged before me this 9th day of May, 2001 by Robert F. Metzler and Rosemary M. Metzler.

Witness my official hand and seal.
My commission expires: 10-23-2001

(SEAL)

CHERYL L. KAY NOTARY PUBLIC STATE OF COLORADO

Notary Public

Exhibit 1

PROPERTY DESCRIPTION – Metzler Ranch Filing No. 3

A tract of land situated in the Southwest quarter of Section 25 and in the South half of Section 26, Township 7 South, Range 67 West of the 6th Principal Meridian, Town of Castle Rock, Douglas County, Colorado, being described as follows:

BEGINNING at the Northeast corner of said South half of Section 26, as monumented by a pipe with a 2–1/2 inch diameter aluminum cap marked: LS6935, and considering the North line of said South half to bear North 89°38'29" West to the Northwest corner of said South half, as monumented by a pipe with a 3–1/2 inch diameter aluminum cap marked: LS14166, with all bearings contained herein, relative thereto; thence along the North line of said Southwest quarter of Section 25, South 89°24'11" East, 633.14 feet; thence departing said North line, South 45°48'04" West, 710.64 feet; thence North 90°00'00" West, 385.59 feet; thence North 70°26'37" West, 344.65 feet; thence along a curve to the left having a delta of 66°18'53", a radius of 300.00 feet and an arc of 347.22 feet; thence South 43°14'29" West, 326.59 feet; thence along a curve to the right having a delta of 47°15'52", a radius of 300.00 feet and an arc of 247.48 feet; thence South 89°29'39" West, 288.58 feet; thence South 83° 22'55" West, 626.56 feet; thence North 50°41'28" West, 201.41 feet; thence North 31°47'21" West, 215.87 feet; thence North 41°09'01" West, 481.57 feet; thence North 89°38'29" West, 839.88 feet; thence South 38°13'06" East, 1229.75 feet; thence along a curve to the left having a delta of 32°08'01" , a radius of 470.00 feet and an arc of 263.59 feet; thence South 70°21'07" East, 1308.67 feet; thence along a curve to the right having a delta of 34°50'30", a radius of 530.00 feet and an arc of 322.29 feet; thence South 37°43'21" East, 108.16 feet; thence along a non–tangent curve to the right having a delta of 10°29'05", a radius of 545.00 feet, an arc of 99.73 feet and a chord which bears South 18°49'46" East, 99.59 feet; thence South 13°35'14" East, 103.29 feet; thence along a curve to the left having a delta of 92° 13'08", a radius of 30.00 feet and an arc of 48.29 feet to the North right–of–way line of Founders Parkway as dedicated in Miller Boulevard, Filing No. 2 (Reception No. 8603133); thence along said right–of–way line the following courses: along a non–tangent curve to the right having a delta of 00–35–46, a radius of 1967.69 feet, an arc of 20.47 feet and a chord which bears South 74°29'31" West, 20.47 feet; thence along a non–tangent curve to the right having a delta of 91–36–50, a radius of 25.00 feet, an arc of 39.97 feet and a chord which bears North 59°23'39" West, 35.85 feet; thence South 76°24'46" West, 60.00 feet; thence along a non–tangent curve to the right having a delta of 91°36'53", a radius of 25.00 feet, an arc of 39.97 feet and a chord which bears South 32°13'26" West, 35.85 feet; thence along a non–tangent curve to the right having a delta of 21°47'55", a radius of 1967.69 feet, an arc of 748.62 feet and a chord which bears South 88°56'04" West, 744.12 feet; thence departing said right–of–way line, along a non–tangent curve to the right having a delta of 38°36'23", a radius of 300.00 feet, an arc of 202.14 feet and a chord which bears North 40°35'42" East, 198.34 feet; thence North 30°06'06" West, 97.80 feet; thence North 19°47'04" East, 353.31 feet; thence North 70°21'07" West, 960.71 feet; thence South 19°38'53" West, 312.87 feet; thence along a non–tangent curve to the left having a delta of 03°08'30", a radius of 500.00 feet, an arc of 27.42 feet and a chord which bears South 68°38'41" East, 27.41 feet; thence along a non–tangent curve to the right having a delta of 15°03'45", a radius of 350.00 feet, an arc of 92.01 feet and a chord which bears South 31°43'21" West, 91.75 feet; thence South 39°15'14" West, 120.00 feet to said North right–of–way line; thence along said right–of– way line the following courses: along a non–tangent curve to the right having a delta of 12°31'40", a radius of 1967.69 feet, an arc of 430.24 feet and a chord which bears North 44°28'56" West, 429.38 feet; thence North 38°13'06" West, 1055.71 feet; thence along a curve to the right having a delta of 90°00'00", a radius of 25.00 feet and an arc of 39.27 feet; thence North 38°13'06" West, 85.00 feet; thence along a non– tangent curve to the right having a delta of 90°00'00", a radius of 25.00 feet, an arc of 39.27 feet and a chord which bears North 83°13'06" West, 35.36 feet; thence North 38°13'06" West, 516.70 feet; thence along a curve to the left having a delta of 24°17'56", a radius of 805.00 feet and an arc of 341.40 feet to the East right–of–way line of Allen Road as deeded to the Town of Castle Rock in Book 893 at Page 1064; thence along said East right–of–way line the following courses: along a curve to the right having a delta of 85°17'38", a radius of 25.00 feet, an arc of 37.22 feet and a chord which bears North 19°52'13" West, 33.87 feet; thence North 22°46'36" East, 1.04 feet to the North line of said South half; thence along said North line South 89° 38'29" East, 4480.59 feet to the **POINT OF BEGINNING** of this description, containing 81.59 acres, more or less.

(EXEMPLAR – NOT FOR EXECUTION)

EXHIBIT 2
PUBLIC IMPROVEMENTS CONVEYANCE AND INITIAL ACCEPTANCE

TRANSFEROR:

TRANSFEREE: Town of Castle Rock, a municipal corporation ("Town")
680 North 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 Metzler Ranch Filing No. 3. 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.

4. Transferor represents that the approximate amount of direct costs of construction of the Improvements (excluding engineering, financing, insurance, etc.), as determined in

accordance with usual and customary construction accounting practices is as follows:

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

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

TRANSFEROR:

By: _____

Its: _____

ACCORDINGLY, Town accepts for ownership and maintenance of the Improvements effective _____, 20__.

TOWN OF CASTLE ROCK

_____

Department of Public Works