

**PROMENADE AT CASTLE ROCK FILING NO. 1
SUBDIVISION IMPROVEMENTS AGREEMENT**

DATE: August 13, 2015.

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

PROMENADE CASTLE ROCK, LLC, a Delaware limited
liability company, 5750 DTC Parkway, Greenwood Village,
Colorado 80111 (“Subdivider”).

MORTGAGEE: **The Private Bank and Trust Company**

RECITALS:

A. Subdivider desires to plat and subdivide certain property as the Promenade at Castle Rock Filing No. 1 subdivision (“Subdivision”), more particularly described in the attached *Exhibit 1* (“Property”).

B. The subdivision regulations of the Castle Rock Municipal Code require that the Subdivider construct the public improvements necessary to provide municipal utilities and services to the Subdivision in accordance with Town regulations. By this Agreement the parties address the conditions for construction of such improvements and certain other issues concerning development of the Subdivision.

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

D. Mortgagee is a party to this Agreement for the purpose of subordinating its lien and interest in the Property to the terms and conditions of this Agreement.

E. It is anticipated that the public improvements will be constructed by one or more of the Districts, as defined herein.

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 Promenade at Castle Rock Filing No. 1 Subdivision Improvements Agreement, as may be further amended from time to time.

Code: the Castle Rock Municipal Code, as amended.

Development Agreement: the Promenade at Castle Rock Development Agreement dated March 3, 2015, recorded in the Records on July 22, 2015 at Reception No. 2015051492, as may be further amended from time to time.

Director: the Director of Development Services, or designee.

Districts: the Promenade at Castle Rock Metropolitan District Nos. 1-3. Any obligation of Subdivider under this Agreement may be assumed by the Districts pursuant to Section 3.01 of the Development Agreement.

Force Majeure: any delays in or failure of performance by any party of its obligations under this Agreement as a result of acts of God; fires; floods, earthquake; strikes; labor disputes; regulation or order of civil or military authorities; delays of governmental authorities in issuing permits; defaults by contractors, subcontractors or other third parties; unavailability of or delays in receiving labor or materials; weather conditions or other causes, similar or dissimilar, which are beyond the control of such party.

Improvements: the water, wastewater, storm water drainage, transportation, streetscape, 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 or private property as prescribed in the Plans or applicable Site Development Plan.

Plans: the description of the Improvements on the construction drawings approved concurrently with the Plat and related documents.

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

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

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

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

Subdivision: the Promenade at Castle Rock Filing No. 1 subdivision.

Town Regulations: the Code, inclusive of the Town technical design criteria manuals, as the same may be amended from time to time.

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

Section 2. Construction of Improvements. The Improvements shall be constructed in strict accordance with the Plans, or to the extent not otherwise provided in the Plans, in accordance with applicable Town Regulations. The Improvements may be constructed by phase, in accordance with the applicable phasing plan, if any. If so approved by the Director, which will not be unreasonably withheld, a sub-Phasing Plan may be implemented such that phase Improvements are developed only as necessary to service specific sub-phases.

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

Improvements must be completed not later than 18-months from the date of this Agreement, provided that the completion date may be extended for up to 6 months in the event of Force Majeure.

Section 3. Restrictions Pending Completion of Improvements. The Director, shall authorize issuance of one or more building permits for private improvements prior to substantial completion of the Improvements, provided: (i) there is adequate emergency access to the site, and (ii) the water system is completed sufficiently to provide adequate fire flows for fire protection of the structure under construction or reasonable alternate means have been provided for fire suppression, as approved by the Town. However, no building shall qualify for a final certificate of occupancy unless the applicable Improvements have been initially accepted by the Town as provided in Section 4, below.

Section 4. Acceptance of Improvements. Upon substantial completion of the Improvements or portions thereof, 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 such remedial work is delayed due to Force Majeure, in which event the work shall be completed as soon as reasonably feasible thereafter.

With cure of non-conforming work, receipt of record drawings and initial acceptance of the Improvements by Town, Subdivider shall promptly convey its interest in the Improvements by document in the form attached as *Exhibit 2*. With conveyance of the Improvements and receipt of the warranty surety, the applicable warranty period commences.

Section 5. Improvements Security. The requirements under the Town Regulations for assuring the construction and warranty of the Improvements shall be met through a Master Escrow Agreement as described in Section 3.02 of the Development Agreement ("Security").

The purpose of the Security is to provide Town with the financial resources to mitigate any public health and safety hazards and/or re-grade and re-vegetate the Subdivision and/or complete construction or installation of any of the Improvements, should Subdivider default in its obligation to complete the Improvements (the "Remedial Work"). The Town retains the absolute but reasonable discretion to determine what Remedial Work, if any is undertaken by Town on the Improvements, in the event of such default. Any portion of the Security not utilized in the Remedial Work shall be returned to the obligor on

the Security, or in the event a letter of credit or cash escrow is furnished by Subdivider, to Subdivider.

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

Section 6. Landscaping.

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

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

1. Subdivider shall make a cash deposit to the Town in the amount of 100% of the estimated completion cost of the applicable Landscaping to be held by Town as security for completion of the Landscaping (Landscape Deposit);
2. The amount of the Landscape Deposit shall be determined by the Town after review of the cost estimate of completion furnished by the Subdivider's landscape architect or contractor;
3. The Landscape Deposit must be made prior to and as a condition to:
 - a. initial acceptance of the Improvements under A(i), above, or
 - b. prior to the issuance of a certificate of occupancy for the private improvements under A(ii), above.
4. The Landscape Deposit shall not accrue interest;

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

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

7. If at the end of such 180 day period the applicable Landscaping has not been completed and accepted by Town, Town may use the Landscape Deposit to the extent necessary to complete the Landscaping, provided Town will not be obligated to spend any Town funds to complete the applicable Landscaping in the event the Landscape Deposit is insufficient to fund completion;

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

Section 7. Water Supply. 1363.02 SFE of the "Water Credit" provided in Article V of the Development Agreement have been applied to meet the water supply requirements for the Subdivision ("Subdivision Water Credit"). If the Subdivision Water Credit is exhausted prior to full development of the Property, Town may withhold building permits for vertical construction on the Property until such time as additional water resources are provided or payment of cash-in-lieu of water rights dedication is made to Town in accordance with the Town Regulations. If the Town does withhold its approvals, any portions of the Property which thereafter secure the water resources or make the cash-in-lieu payment shall be relieved of the development restriction even though water resources may not have been secured for the entire balance of the undeveloped portions of the Property.

Provided further, if Subdivider has allocated to a parcel a specific number of SFE to serve such parcel and such allocation is insufficient to meet the water demand for full development of the parcel, the owner of such parcel shall pay cash-in-lieu of water rights in accordance with the Town Regulations then in effect to address such shortfall. Town shall give notice to such parcel owner of the basis for determination of the shortfall and the calculation of the required cash-in-lieu. In the event the parcel owner does not make the required cash-in-lieu payment within 30 days of written notice from the Town, Town shall (i) withhold further development approvals for such parcel until payment is made, or (ii) in the event no further development approvals will be required on such parcel, debit the Promenade Water Bank for the shortfall.

Section 8. Water Efficiency Plan. Subdivider, at its option, may submit a for Town consideration a water efficiency plan in order to maximize the use of the Subdivision Water Credit in the Promenade at Castle Rock Water Bank. All water efficiency plans shall

be submitted in accordance with the Town Regulations in place at the time of such submittal.

Section 9. North Meadows Extension Access. Pursuant to the terms and conditions of Section 7.03 of the Development Agreement, any Site Development Plan, Plat or other land use entitlement approved by the Town prior to issuance of the Access Permit shall be conditioned on the issuance of the Access Permit in accordance with Section 7.03 of the Development Agreement. No building permits for private improvements on the Property shall be issued prior to approval of the Access Permit by the Colorado Department of Transportation (“CDOT”).

Section 10. Other Transportation Improvements. Other than those improvements required to be constructed by Town as part of the North Meadows Extension Project, Subdivider shall be responsible for constructing all Improvements required by CDOT as a condition to approval of any CDOT access permits required for the Property. In addition to the proposed access to the North Meadows Extension, CDOT access permits may be required at the affected intersections of Meadows Parkway and Factory Shops Boulevard, State Highway 85 (“SH85”) and New Beale Street, SH85 and Atrium Drive, and SH85 and Meadows Parkway. Owner shall also be responsible for the construction of all street improvements identified in the approved traffic impact analysis dated January 2015 (FHU Reference No. 114202-01) for the Property, as shown on *Exhibit 3* hereto.

Section 11. SH85 Improvements. Development of the Subdivision necessitates the construction of certain roadway Improvements to SH85, which Improvements include, curb, gutter, sidewalk and landscaping, as further depicted on the attached *Exhibit 4*, exclusive of any landscaping improvements adjacent or near the existing structures (“SH85 Improvements”). Town has agreed to accept cash-in-lieu of construction of the SH85 Improvements. Accordingly, on or prior to the recordation of the first site development plan for the Property, Subdivider shall pay to Town \$211,983 as cash-in-lieu of construction of the SH85 Improvements. Upon receipt of the cash-in-lieu payment, Subdivider shall have no further financial obligation toward the SH85 Improvements. Town and/or CDOT shall construct the SH85 Improvements in conjunction with the widening of SH85 or at such time as Town determines such improvements are warranted.

Section 12. Meadows Parkway Improvements. Pursuant to the traffic impact study for the Property, certain improvements to the Meadows Parkway/Factory Shops Boulevard intersection are necessitated from development of the Property, including but not limited to the widening of the right-turn lane and construction of a retaining wall (“Retaining Wall”). Accordingly, Subdivider, at its expense (or if applicable, the Districts) shall be responsible for the ongoing maintenance of the Retaining Wall.

Section 13. Regional Drainage Improvements. As a condition to approval of any building permits for private improvements, all Plans for the Regional Detention Pond at SH85 and the off-site Regional Detention Ponds east of Interstate 25 (collectively, the “Regional Detention Facilities”) must be approved by the Town and Douglas County.

No structure shall qualify for a certificate of occupancy until the Regional Detention Facilities have been constructed and accepted by the Town and/or Douglas County for operation and maintenance.

Section 14. Water Conservation Regulations. The landscaping of the Property shall conform to the Town’s adopted water conservation requirements in effect at the time of the building permit application.

Section 15. Application of Development Agreement. The Development Agreement may contain certain other conditions and requirements which apply to the development of the Property. In the event of a conflict between the Development Agreement and this Agreement, this Agreement shall govern and control.

Section 16. Default. The following occurrences constitute a default by the Subdivider:

- A. failure to commence or complete construction of the Improvements within the time periods prescribed in Section 3, above;
- B. failure to cure the defective construction of any Improvements required hereunder within the applicable cure period;
- C. Subdivider has breached, or caused a breach of any other material provision of this Agreement.

As a condition to Town’s right to exercise its remedies for default, The Subdivider shall have twenty (20) business days from receipt of notice within which to cure such default before the Town may exercise any of its remedies hereunder. If such default is not of a type which can be reasonably cured within such twenty (20) business day period and the Subdivider has commenced the cure within the twenty (20) business day period and is actively and diligently pursuing such cure, the Subdivider shall have a reasonable period of time given the nature of the default following the end of the twenty (20) business day period to cure such default, provided that Subdivider is at all times within such additional time period actively and diligently pursuing such cure in good faith. If timely cure of the noticed default(s) is not accomplished, Town shall thereafter be entitled to pursue its remedies against Subdivider.

Section 17. Town's Rights Upon Default. When any event of default occurs and has not been timely cured, the Town may:

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

B. if the applicable Improvements have not been timely completed, withhold issuance of building permits, certificates of occupancy and tap connections for which the applicable Improvements have not been completed or accepted;

C. record a notice of non-compliance with this Agreement in the Records applicable to such site to provide record notice of Subdivider's default, which notice shall promptly be released by Town upon cure of the default; and

D. bring suit against Subdivider for money damages and/or equitable relief for breach of this Agreement.

Section 18. Indemnification. Subdivider, or applicable successor indemnifies and holds Town harmless from and against all claims, costs and liability of every kind and nature, for injury or damage received or sustained by any person or entity in connection with, or on account of construction or repair of the applicable Improvements by Subdivider. Provided, however, such indemnification shall lapse for all unasserted claims upon final acceptance of the applicable Improvements and expiration of the applicable warranty period.

Section 19. No Waiver. No waiver of any provision of this Agreement will be deemed or constitute a waiver of any other provision, nor will it be deemed or constitute a continuing waiver unless expressly provided for by a written amendment to this Agreement signed by both Town and Subdivider, nor will the waiver of any default under this Agreement be deemed a waiver of any subsequent default or defaults of the same type. The Town's failure to exercise any right under this Agreement will not constitute approval of any wrongful act by the Subdivider or the acceptance of any Improvement.

Section 20. 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 21. Notice. Any notice required or permitted by this Agreement will be deemed effective when personally delivered in writing or by facsimile, or three (3) days after notice is deposited with the U.S. Postal Service, postage prepaid, certified, and return receipt requested and addressed as follows:

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

If to Subdivider: Promenade Castle Rock, LLC
 5750 DTC Parkway, Suite 210
 Greenwood Village, CO 80111

With copy to: Brownstein Hyatt Farber Schreck, LLP
 410 Seventeenth Street, Suite 2200
 Denver, CO 80202
 Attn: Robert Kaufmann, Esq.

If to Districts: Promenade at Castle Rock Metropolitan District Nos. 1-3
 c/o White Bear Ankele Tanaka & Waldron
 2154 E. Commons Avenue, Suite 2000
 Centennial, CO 80122

If to Mortgagee: To Mortgagee:

The Private Bank and Trust Company
6400 South Fiddlers Green Circle, Suite 440
Englewood, Colorado 80111
Attn: Jane Kachadurian, Managing Director

With a copy to:

The Private Bank and Trust Company
70 West Madison Street
Chicago, Illinois 60602
Attn: Loan Closing / Loan Operations

and to:

Otten, Johnson, Robinson, Neff & Ragonetti, P.C.
950 Seventeenth Street, Suite 1600
Denver, Colorado 80202
Attn: Emily Hippen, Esq.

Section 22. Binding Effect. The Property is both benefited and burdened by the mutual covenants of this Agreement, and such covenants shall constitute real covenants binding upon successors in interest to the Property, including any mortgagees or lienholders subsequently acquiring title to the Property, irrespective of whether specific reference to this Agreement is made in any instrument affecting title to the Property. Irrespective of any other provision of this Agreement:

A. Upon conveyance of all, or a portion of the Property, the Owner (grantor) may elect to assign any or all rights or obligations imposed by this Agreement applicable to the portion of the Property conveyed or applicable to other portions of the Property, and grantor shall then be relieved of all obligations imposed by this Agreement applicable to the portion of the Property conveyed or other portions of the Property to the extent assigned, provided that the grantee assumes such obligations.

B. Unless specifically stated in such assignment, no assigned rights or obligations shall pertain to Property other than the particular portion of the Property so assigned; and

C. Unless specifically agreed to by a tenant or occupant in writing, in no event shall a tenant or occupant that is not an Owner be liable hereunder.

Notwithstanding the foregoing, it is anticipated that the Districts will undertake development of some of the Improvements and Landscaping, and the Town agrees to accept performance by the Districts of the obligations assumed by a grantee under this Agreement. Grantor shall not be relieved of any default under this Agreement attributable to the action or inaction of the grantor while the grantor was in title to such portion of the Property.

D. Subject to written notice to the Town from Subdivider containing the name and address of the lender or other party, Subdivider may pledge, collaterally assign or otherwise encumber all or any part of its rights or obligations under this Agreement to any lender or other party that provides acquisition, construction, working capital, tenant improvement or other financing to Subdivider in connection with the acquisition and/or development of the Property owned by such Subdivider. Provided

however, such security transfer shall not relieve Subdivider from any obligation under this Agreement.

Section 23. Amendment. Any and all changes to this Agreement, in order to be mutually effective and binding upon the parties and their successors, must be in writing and duly executed by the signatories or their respective representatives, heirs, successors or assigns. This Agreement may be amended without the approval of all of the then owners of the Property, provided that such amendment shall not be binding on an owner or the Property owned by such owner who is not a party to such amendment. The Town Manager and Town Attorney and officers on behalf of owner and Districts executing this Agreement are authorized to make corrections and clarifications to this Agreement, so long as the changes are consistent with the intent and understanding of the Parties at the time of approval by the governing bodies, and execution of such amendment will constitute approval of such changes by the Parties.

Section 24. Interpretation. In this Agreement, unless the context otherwise requires:

- A. All definitions, terms and words shall include both the singular and the plural;
- B. Words of the masculine gender include correlative words of the feminine and neuter genders, and words importing singular number include the plural number and vice versa; and
- C. The captions or headings of this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provision, article or section of this Agreement.

Section 25. Severability. It is understood and agreed by the parties hereto that if any part, term, or provision of this Agreement is found by final judicial decree to be illegal or in conflict with any law of the State of Colorado, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

Section 26. Conflicts. If the terms and provisions of this Agreement are in conflict with any prior agreement between the Town and the Owner or the Town Regulations, the terms and provisions of this Agreement, as it may be amended from time to time, shall control.

Section 27. Verification. The Town and the Subdivider shall provide the other written verification regarding the status, performance or completion of any action required of the Town or the Subdivider under the Agreement or by the terms of any other agreement.

Section 28. Days. If the day for any performance or event provided for herein is a Saturday, Sunday or a day on which national banks are not open for regular transactions of business, or a legal holiday pursuant to Section 24-11-101(1), C.R.S, such day will be extended until the next day on which such banks and state offices are open for the transaction of business.

Section 29. 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 30. Immunity. Nothing contained in this Agreement constitutes a waiver of the Town's sovereign immunity under any applicable state law.

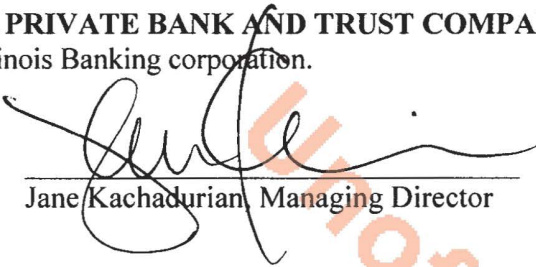
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MORTGAGEE JOINDER

By execution of this Agreement, Mortgagee subordinates its lien and interest in the Property created by Deed of Trust recorded in the Records October 22, 2014 at Reception No. 2014061102 to the real covenants and restrictions of this Agreement. Mortgagee shall have no affirmative obligation hereunder, nor shall Town have the right to seek performance of this Agreement from Mortgagee except in the event Mortgagee acquires legal title to the Property, in which event Mortgagee shall be bound by the terms, conditions and restrictions of this Agreement.

MORTGAGEE:

THE PRIVATE BANK AND TRUST COMPANY,
an Illinois Banking corporation.

By: 
Jane Kachadurian, Managing Director

STATE OF COLORADO)
) ss:
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 6th day of August, 2015, by Jane Kachadurian, as Managing Director of The Privatebank and Trust Company, an Illinois banking corporation.

Witness my hand and official seal.

My commission expires: 1/3/16



My Commission Expires 01/03/2016

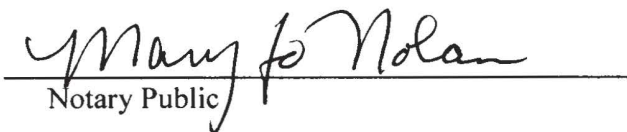

Notary Public

EXHIBIT 1

LOT 1, BLOCK 1,
LOT 1, BLOCK 2,
LOTS 1 AND 2, BLOCK 3,
LOTS 1 AND 2, BLOCK 4,
LOT 1, BLOCK 5,
LOTS 1, 2 AND 3, BLOCK 6, AND
TRACTS A, B, C, D,

PROMENADE AT CASTLE ROCK FILING NO. 1 PLAT AS RECORDED ON August 13
2015 UNDER RECEPTION NUMBER _____ OF THE RECORDS OF THE
DOUGLAS COUNTY CLERK AND RECORDER'S OFFICE.

→ 2015 05 785 9

TOGETHER WITH:

LOT 4, CASTLE PINES COMMERCIAL FILING NO. 12 AS RECORDED UNDER
RECEPTION NO. 2006075520 OF THE RECORDS OF THE DOUGLAS COUNTY
CLERK AND RECORDER'S OFFICE.

Unofficial Copy

(Exemplar – Not for Execution)

EXHIBIT 2
PUBLIC IMPROVEMENTS CONVEYANCE AND INITIAL ACCEPTANCE

TRANSFEROR:

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

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

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

1. Transferor warrants to Town that Transferor has a good title to the Improvements, free and clear of any lien, claim or right of any third party in or to the Improvements, and Transferor will defend Town's title to the Improvements against the claim of any third party.
2. Transferor warrants that the Improvements are located within the easement, right-of-way or other real property interest designated by the Town for siting of the Improvements. Town acknowledges receipt of as-built drawings of the Improvements dated _____.
3. Transferor warrants that, as constructed, all Improvements are in conformance with the current Town of Castle Rock standards and the approved construction plans, and are free from defects in design, material or workmanship. This warranty is for the period prescribed in Title 15 of the Town's Municipal Code commencing with the date of acceptance made below.
4. Transferor represents that the approximate amount of direct costs of construction of the Improvements (excluding engineering, financing, insurance, etc.), as determined in accordance with usual and customary construction accounting practices is as follows:

Water _____

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

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

TRANSFEROR:

By: _____

Its: _____

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

TOWN OF CASTLE ROCK

 Engineering Division

Unofficial Copy

EXHIBIT 3

Table 17. Summary of Responsibility for Identified Improvements

Int. #	Improvement	% Developer Share
1	Lengthen NB left turn storage	0%
2	Lengthen SB left turn storage	0%
3	Construct WB right turn lane	100%
	Separate existing SB through-left lane into one through and one left turn lane (creating a triple left turn)	100%
	Add second NB left turn lane	100%
	Construct recommended storage for turn lanes per Table 16	100%
4	Add third through lane on all four approaches	See Note 1
	Add second EB left turn lane	
	Or, construction of Continuous Flow Intersection per Adkins Study	
5	Add WB left turn movement to existing through, creating a triple left and provide three receiving lanes on Factory Shops Boulevard	100%
	Add second SB left turn lane	100%
	Add SB right turn lane ²	100%
	Add second EB left turn lane	100%
	Allow right turns lanes from EB through, creating an EB double right	100%
	Construct recommended storage for turn lanes per Table 16	100%
6	Construct NB acceleration lane on Factory Shops Boulevard for EB left turn movement ³	100%
8	Construct per lane geometry and traffic control shown on Figure 25	100%

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Int. #	Improvement	% Developer Share
9	Lengthen SB left turn storage	65%
11	Restripe to allow for additional through lane east / west and second left turn lane on NB off-ramp	0%
	Construct recommended storage for turn lanes per Table 13	0%
12	Modifications to roundabout geometry and signing/stripping for the new southern leg	100%
13a, 13b, 15 (Atrium site accesses)	Construct per lane geometry and traffic control shown on Figure 25. Roundabout at intersection #15 subject to tenant approval	100%
16, 17, 18 (Castlegate Drive West accesses)	Modifications to Castlegate Drive West to allow for center left turn lanes at all three intersections	100%
	Construction of east leg at intersection 18	100%
	Construction of NB right turn deceleration lane at intersection 18 ⁴	100%
19	Construction of north / south legs of the intersection and the needed turn lanes on Atrium Drive as shown on Figure 25	100%
20, 21, 22	Construction of access and needed turn lanes on Factory Shops Boulevard or North Meadows Extensions as shown on Figure 25	100%
	Construct SB acceleration lane along Factory Shops Boulevard for EB and WB left turn movements at 22 ³	100%
	Construct SB right turn deceleration lane at intersection 22 ³	100%
¹ Improvements planned for Meadows Parkway/Santa Fe Drive intersection to enhance regional travel. Developer share to be determined in future negotiations. ² Improvement may be subject to availability of right-of-way out of control of developer ³ Additional design detail needed to confirm feasibility of improvement ⁴ Improvement subject to review for multi-family development site		

EXHIBIT 4

