

**TERRAIN FILING NO. 3  
SUBDIVISION IMPROVEMENTS AGREEMENT**

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**DATE:** August 17, 2018.

**PARTIES:** **TOWN OF CASTLE ROCK**, a Colorado municipal corporation,  
100 Wilcox Street, Castle Rock, Colorado 80104 ("Town").  
**SLV CASTLE OAKS, LLC**, a Delaware limited liability company,  
6310 Capital Drive, Suite 130, Bradenton, Florida 34202  
("Subdivider").

**RECITALS:**

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

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

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

**COVENANTS:**

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

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

**Agreement:** this Terrain Filing No. 3 Subdivision Improvements Agreement, as may be further amended from time to time.

**Code:** the Castle Rock Municipal Code, as amended.

**Development Agreement:** the Terrain Development Agreement dated October 6, 2015, recorded in the Records on February 27, 2016 at Reception No. 2016010166.

**Director:** the Director of Development Services, or designee.

**Improvements:** the water, wastewater, storm water drainage, transportation, Landscaping or other systems or infrastructure required to serve the Subdivision as identified and described in the Plans (whether on-site or off-site), which upon their completion are to be dedicated to the Town for operation and maintenance by the Town.

**Landscaping:** the landscaping required on public areas, streetscapes, or tracts as prescribed in the Site Development Plan, including any landscaping guidelines.

**Phase:** a contiguous geographical area of the Subdivision so designated a specific Phasing Plan submitted to and approved by the Town (or, if applicable, a sub-phase).

**Phase Improvements:** those Improvements required to be constructed with a particular Phase, as prescribed in the Phasing Plan.

**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 construction drawings approved concurrently with the Plat and related documents.

**Planning Area(s):** the planning areas identified as PA-49 and PA 50 on the Terrain Planned Development Plan.

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

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

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

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

**Subdivision:** the Terrain Filing No. 3 subdivision.

**Terrain Filing No. 1:** the Terrain Filing No. 1 subdivision, pursuant to the Terrain Filing No. 1 Plat recorded in the Records September 15, 2016 at Reception No. 2016064135, as amended by the Terrain Filing No. 1, Amendment 1 Plat recorded September 15, 2016 at Reception No. 2016064311.

**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, 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 of the Improvements within at least one of the Phases 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 Manager 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.

Phase Improvements must be completed not later than one year after the date of issuance of the first construction permit for such Phase Improvements ("Completion Date"), provided that the Completion Date may be extended by the Director for up to 6 months if justified due to adverse weather, material unavailability, or other unanticipated and unavoidable circumstances beyond the control of Subdivider, as determined by the Director.

**Section 3. Restrictions Pending Completion of Improvements.** No Phase shall qualify for building permits until the Phase 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 Phase shall not qualify for the issuance of certificates of occupancy unless the Improvements have been initially accepted by the Town as provided in section 4.

The Director, in his/her absolute discretion, may authorize issuance of one or more designated building permits prior to substantial completion, if unusual and unanticipated circumstances warrant granting a relaxation of the substantial completion requirement. In such event, the Director may impose the condition that all work must cease under such building

permit if the 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.

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

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

**Section 5. Improvements Security.** In accordance with Town Regulations, Subdivider shall provide Town with a letter of credit, cash escrow deposit or performance bond ("Security"). The amount of the Security shall be dependent on the form of Security provided, calculated in accordance with the Town Regulations. The form of the Security is subject to approval by the Town Attorney. The Security shall be irrevocable for a period or term extending 60 days beyond the Completion Date. Security which has a term expiring on or before 60 days after the Completion Date shall contain a provision that unless renewed or substitute Security is provided, prior to its expiration date, it may be called by the Town for lack of adequate Security. The Security shall be delivered to Town prior to and as a condition of the issuance of the first construction permit for the Phase Improvements. The warranty portion of the Security shall be released as authorized in the Town Regulations.

The purpose of the Security is to provide Town with the financial resources to mitigate any public health and safety hazards and/or re-grade and re-vegetate the Subdivision and/or complete construction or installation of any of the Phase Improvements, should Subdivider default in its obligation to complete the Phase Improvements (the "Remedial Work"). The Town retains the absolute discretion to determine what Remedial Work, if any is undertaken by Town on the Phase 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 Phase Improvements, the Security shall be reduced to 15% of the actual construction cost of the Phase 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 Phase Improvements for each applicable Phase and in connection with the private improvements on the Property as follows: (i) Subdivider shall make commercially reasonable efforts to complete all Landscaping pertaining to the Improvements prior to initial acceptance of the Phase Improvements as prescribed in the Plans; and (ii) Subdivider shall make commercially reasonable efforts to complete all applicable Landscaping pertaining to private improvements (i.e., structures) on the Property prior to the issuance of a certificate of occupancy for related private improvements.

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

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

2. The amount of the Landscape Deposit shall be determined by the Town after review of the estimate for the cost of completion of the Landscaping 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 Phase Improvements under A(i);  
above; or

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

4. The Landscape Deposit shall not accrue interest;

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

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

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

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

**Section 7. Water Supply.** 126.66 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"). Town shall not require additional water rights or water resources as a condition to issuance of land use approvals within the Subdivision, so long as the aggregate water demand from development does not exceed the Subdivision Water Credit as computed in accordance with the Town Regulations.

To the extent that the water demand created by development on the Property (computed in accordance with Town Regulations), exceeds the Subdivision Water Credit, the appropriate number of additional SFE of the "Water Credit" provided in Article V of the Development Agreement shall be applied to account for such additional water demand, or to the extent all of the "Water Credit" provided in Article V of the Development Agreement has been allocated, Subdivider must provide additional water resources computed in accordance with Town Regulations sufficient to meet the demand in excess of the initial Subdivision Water Credit.

Absent compliance with this section, and subject to the terms and conditions of the Development Agreement, Town may withhold development approvals on the Property for any proposed use, which, after taking into account all previous development on the Property, that will create an aggregate water demand in excess of the Subdivision Water Credit (as the same may be subsequently augmented in accordance with this section). Should the Subdivision Water Credit not be fully utilized after full development of the Subdivision, the remaining SFE shall revert to the Terrain Water Bank, as provided in the Development Agreement.

**Section 8. Water Efficiency Plan.** In order to maximize the utilization of the Water Credit and reduce the demand for long-term renewable water, Subdivider is encouraged to establish a water efficiency plan in accordance with the Town Regulations in place at the time such water efficiency plan is submitted for review and approval by Town.

**Section 9. Side Trail Construction.** Pursuant to 8.05 of the Development Agreement, Subdivider is responsible for the construction of a pedestrian and bicycle trail within Planning Areas 49 and 50, along the south side of State Highway 86 ("Pedestrian Trail"), as further depicted on the attached *Exhibit 3*. As a condition to recordation of the Plat and this Agreement, Subdivider shall pay to Town \$83,490 as cash in lieu of construction of the Pedestrian Trail. Town shall undertake construction of the Pedestrian Trail in conjunction with the widening of State Highway 86.

**Section 10. Right-of-Way Conveyance.** As a condition to recordation of the Plat and this Agreement, Subdivider shall convey to Town, at no cost to Town, Tracts D and E, Terrain Filing No. 3 for the future widening of State Highway 86. Such conveyance shall be by special warranty deed, subject to matters of record, but free and clear of liens and other

title impediments that would preclude the Town from utilizing Tracts D and E for their intended purposes. Subdivider shall ensure all taxes are paid, and further acknowledges Subdivider is responsible for the current year (2018) taxes due on Tracts D and E, up to the date of recordation of the special warranty deed. Subdivider shall furnish Town with an ALTA form policy of title insurance, insured by a title company licensed to do business in Colorado which insures the Town's title in the amount of \$22,810.

**Section 11. Water Rights Acquisition Reimbursement Payment.** Pursuant to 7.05 of the Development Agreement, Subdivider shall pay to Town \$574 per SFE commencing with the 1047<sup>th</sup> SFE and continuing through the 2092<sup>nd</sup> SFE of the Terrain Water Credit (as defined in the Development Agreement). Upon recordation of the Plat, 1816 SFE have been allocated to meet development within the Terrain PD and the Castle Oaks Parcel, collectively, of which the Town was previously reimbursed for the 1047<sup>th</sup> through 1169<sup>th</sup> SFE. Accordingly, as a condition to recordation of this Agreement, Subdivider shall pay to Town \$371,378, which amount represents payment of the 1170<sup>th</sup> through the 1816<sup>th</sup> SFE utilized for development within the Terrain PD and the Castle Oaks Parcel (allocated as follows: Terrain Filing No. 1 - 366 SFE, Terrain Filing No. Filing 2 - 155 SFE, Filing 3 - 126 SFE = 647 SFE).

**Section 12. McMurdo Gulch Drainage Improvements.** McMurdo Gulch is to be fully stabilized in accordance with the recommendations set forth in the Final McMurdo Gulch Major Drainageway Master Plan by PBS&J dated November, 2006, from State Highway 86 downstream to the regional detention pond located immediately south (upstream) of Valley View Drive ("McMurdo Gulch Improvements"). In lieu of constructing the McMurdo Gulch Improvements, Subdivider has elected to pay cash-in-lieu of construction in the amount of \$766,000 (McMurdo Cash-in-lieu). In accordance with the Terrain Filing No. 1 Subdivision Improvement Agreement dated September 15, 2016 and recorded in the Records at Reception No. 2016064138, Subdivider paid to Town \$114,900 (15%). Accordingly, prior to and as a condition to recordation of this Agreement, Subdivider shall pay to Town the remaining McMurdo Cash-in-lieu, in the amount of \$651,100 (85%).

Upon Town's receipt of the final McMurdo Cash-in-lieu payment, the Town shall assume the obligation to construct the McMurdo Gulch Improvements within Terrain Filing No. 1. In the event the total design, construction, construction management and administrative costs for the McMurdo Gulch Improvement are less than \$766,000, Town shall reimburse SLV Castle Oaks, LLC, as Subdivider, the remaining McMurdo Cash-in-lieu. In addition, if the Town has not commenced construction of the McMurdo Improvements by September 15, 2026, then Town shall remit the McMurdo Gulch Cash-in-lieu to SLV Castle Oaks, LLC.

**Section 13. Development Restrictions.** Lots 53, 54, 81 through 88, and 94 through 96 ("Restricted Lots") are within the 100-year flood hazard risk zone ("Floodplain"). The Restricted Lots shall not qualify for the issuance of a building permit until (i) improvements are constructed and accepted which result in removal of the Restricted Lots from the Floodplain and acceptance by Town of an engineer certification demonstrating the revised Floodplain delineation and base flood elevations as documented in a Floodplain Modification Study, or (ii) approval of a Floodplain Modification Study that documents

through technical analysis existing conditions that remove the Restricted Lots from the floodplain.

**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. The enumeration in this Agreement of certain of obligations triggered under the phasing plan of the Development Agreement is not inclusive of all such obligations. In the event of a conflict between the Development Agreement and this Agreement, the Development Agreement shall govern and control.

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

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

As a condition to Town's right to exercise its remedies for default, Town shall give written notice to Subdivider of the occurrence of an event of default. Subdivider shall have thirty (30) calendar days from the receipt of such notice to cure the default. If timely cure of the noticed default(s) is not accomplished, Town shall thereafter be entitled to pursue its remedies against Subdivider.

**Section 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 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 Subdivision after an uncured default for the purpose of undertaking the Remedial Work;
- B. if Phase Improvements have not been timely completed, withhold issuance of building permits, certificates of occupancy and tap connections for which the Phase Improvements have not been completed or accepted;

- C. record a notice of non-compliance with this Agreement in the Records to provide record notice of Subdivider's default, which notice shall promptly be released by Town upon cure of the default; and
- D. bring suit against Subdivider for money damages and/or equitable relief for breach of this Agreement.

**Section 18. Indemnification.** Subdivider indemnifies and holds Town harmless from and against all claims, costs and liability of every kind and nature, for injury or damage received or sustained by any person or entity in connection with, or on account of construction or repair of the Phase Improvements by Subdivider.

**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:                SLV Castle Oaks, LLC  
    6310 Capital Drive, Suite 130  
    Bradenton, FL 34202  
    Attn: Kurt Jones

**Section 22. 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.





## EXHIBIT 1

### LEGAL DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF THAT SPECIAL WARRANTY DEED RECORDED AT RECEPTION NO. 2010034832 IN THE RECORDS OF THE DOUGLAS COUNTY CLERK AND RECORDER'S OFFICE, LYING WITHIN THE NORTH HALF OF SECTION 7, TOWNSHIP 8 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEARINGS FOR THIS DESCRIPTION ARE BASED ON THE WEST LINE OF THE NORTHWEST QUARTER OF SECTION 7, TOWNSHIP 8 SOUTH, RANGE 66 WEST OF THE SIXTH P.M., BEING ASSUMED TO BEAR S 01°14'41" W, FROM THE NORTHWEST CORNER OF SAID SECTION 7, BEING MONUMENTED BY A REBAR WITH A 3-1/4 INCH ALUMINUM CAP WITH ILLEGIBLE STAMPING TO THE WEST QUARTER CORNER OF SAID SECTION 7, BEING MONUMENTED BY A REBAR WITH A 3-1/4 INCH ALUMINUM CAP, STAMPED "PLS 22100". WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO.

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 7, THENCE S 83°54'29" E, A DISTANCE OF 1954.44 FEET TO A POINT ON THE SOUTH LINE OF THE STATE HIGHWAY 86 RIGHT-OF-WAY, ALSO BEING A POINT OF NON-TANGENT CURVATURE AND THE POINT OF BEGINNING:

THENCE ALONG THE SOUTH LINE OF SAID STATE HIGHWAY 86 RIGHT-OF-WAY THE FOLLOWING EIGHT (8) COURSES:

1. ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 5770.00 FEET, A CENTRAL ANGLE OF 06°46'51" AND AN ARC LENGTH OF 682.86 FEET, THE CHORD OF WHICH BEARS S 84°40'05" E, A DISTANCE OF 682.46 FEET;
2. S 88°03'30" E, A DISTANCE OF 177.69 FEET;
3. S 71°21'30" E, A DISTANCE OF 104.40 FEET;
4. S 88°03'30" E, A DISTANCE OF 499.51 FEET;
5. N 74°36'30" E, A DISTANCE OF 106.69 FEET TO A POINT OF NON-TANGENT CURVATURE;
6. ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 2905.00 FEET, A CENTRAL ANGLE OF 18°35'20" AND AN ARC LENGTH OF 942.50 FEET, THE CHORD OF WHICH BEARS N 80°38'17" E, A DISTANCE OF 938.37 FEET
7. N 87°10'30" E, A DISTANCE OF 73.30 FEET;
8. N 71°21'45" E, A DISTANCE OF 100.46 FEET TO THE NORTHWEST CORNER OF FOUNDERS VILLAGE FILING NO. 20, A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 200016069, SAID DOUGLAS COUNTY RECORDS;

THENCE ALONG THE WEST LINE OF SAID FOUNDERS VILLAGE FILING NO. 20 THE FOLLOWING THREE (3) COURSES:

1. S 15°12'10" W, A DISTANCE OF 236.60 FEET;
2. S 45°27'26" W, A DISTANCE OF 416.00 FEET;
3. S 14°19'37" E, A DISTANCE OF 59.84 FEET TO THE NORTHWEST CORNER OF FOUNDERS VILLAGE FILING NO. 22, A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 2005002117, SAID DOUGLAS COUNTY RECORDS;

THENCE ALONG THE WEST LINE OF SAID FOUNDERS VILLAGE FILING NO. 22 THE FOLLOWING SIX (6) COURSES:

1. S 14°19'37" E, A DISTANCE OF 107.88 FEET;
2. S 34°44'00" W, A DISTANCE OF 178.14 FEET;
3. S 53°28'04" W, A DISTANCE OF 410.07 FEET;
4. S 01°46'48" W, A DISTANCE OF 96.55 FEET;
5. S 81°39'56" W, A DISTANCE OF 151.10 FEET;
6. S 39°23'16" W, A DISTANCE OF 67.83 FEET TO THE NORTHWEST CORNER OF FOUNDERS VILLAGE FILING NO. 19, A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 199607282, SAID DOUGLAS COUNTY RECORDS;

THENCE S 39°23'16" W, ALONG THE WEST LINE OF SAID FOUNDERS VILLAGE FILING NO. 19, A DISTANCE OF 811.50 FEET;

THENCE N 10°23'13" W, A DISTANCE OF 706.83 FEET;

THENCE N 48°35'36" W, A DISTANCE OF 1193.28 FEET;

THENCE N 30°36'38" W, A DISTANCE OF 336.62 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPTING THEREFROM THE FOLLOWING TWO (2) PARCELS OF LAND, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEARINGS FOR THE TWO (2) EXCEPTION PARCELS ARE BASED ON THE WEST LINE OF THE NORTHWEST QUARTER OF SECTION 7, TOWNSHIP 8 SOUTH, RANGE 66 WEST OF THE SIXTH P.M., BEING ASSUMED TO BEAR S 01°14'41" W, FROM THE NORTHWEST CORNER OF SAID SECTION 7, BEING MONUMENTED BY A REBAR WITH A 3-1/4 INCH ALUMINUM CAP WITH ILLEGIBLE STAMPING TO THE WEST QUARTER CORNER OF SAID SECTION 7, MONUMENTED BY A REBAR WITH A 3-1/4 INCH ALUMINUM CAP, STAMPED "PLS 22100", WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO.

EXCEPTION PARCEL A (ENDERUD NO. 1 WELL FIELD)

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 7, THENCE S 80°06'22" E, A DISTANCE OF 3175.54 FEET TO THE NORTHWEST CORNER OF THE ENDERUD NO. 1 WELL FIELD AND THE POINT OF BEGINNING;

THENCE ALONG THE BOUNDARY OF SAID ENDERUD NO. 1 WELL FIELD THE FOLLOWING FIVE (5) COURSES:

1. N 88°50'00" E, A DISTANCE OF 315.00 FEET;
2. S 01°10'00" E, A DISTANCE OF 212.13 FEET;
3. S 43°50'00" W, A DISTANCE OF 103.05 FEET;
4. S 88°50'00" W, A DISTANCE OF 242.13 FEET;
5. N 01°10'00" W, A DISTANCE OF 285.00 FEET TO THE POINT OF BEGINNING;

EXCEPTION PARCEL B (ENDERUD PUMP STATION)

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 7, THENCE S 68°25'21" E, A DISTANCE OF 3446.45 FEET TO THE POINT OF BEGINNING;

THENCE ALONG THE BOUNDARY OF SAID ENDERUD PUMP STATION THE FOLLOWING FOUR (4) COURSES:

1. N 89°53'53" E, A DISTANCE OF 100.00 FEET;
2. S 00°06'07" E, A DISTANCE OF 150.00 FEET;
3. S 89°53'53" W, A DISTANCE OF 100.00 FEET;
4. N 00°06'07" W, A DISTANCE OF 150.00 FEET TO THE POINT OF BEGINNING.

Unofficial Copy

**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 Terrain Filing No. 3 subdivision. Town will assume the obligation for maintenance and operation of the Improvements, located in rights-of-way, easements or other real property owned by Town, upon the conveyance of the Improvements to Town.

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

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

Water	_____
Wastewater	_____
Stormwater	_____
Streets	_____

Parks and Recreation \_\_\_\_\_

TOTAL \_\_\_\_\_

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

TRANSFEROR:

By: \_\_\_\_\_

Its: \_\_\_\_\_

ACCORDINGLY, Town accepts for ownership and maintenance of the Improvements effective \_\_\_\_\_, 20\_.

TOWN OF CASTLE ROCK

\_\_\_\_\_  
Engineering Division

Unofficial Copy

