

STORQUEST-LIGGETT ROAD ANNEXATION AND DEVELOPMENT AGREEMENT

DATE: _____, 2021.

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

KGCB INDUSTRIES, LLC, a Colorado limited liability company, 6051 Crestbrook Drive, Morrison, CO 80465 (“Owner”).

MORTGAGEE: **KEYBANK NA**
4535 Milestone Lane
Castle Rock, CO 80104

MORTGAGEE: **MICHAEL W. SWEENEY AND CYNTHIA L. SWEENEY**
9649 Brook Hill Lane
Lone Tree, CO 80124

MORTGAGEE: **COLORADO LENDING SOURCE, LTD.**
518 17th Street, Unit 1800
Denver, CO 80202

RECITALS:

A. The parties have determined that it is in their mutual interest to enter into an agreement governing the development of the property described in the attached *Exhibit 1* (“Property”) in conjunction with the annexation and zoning of the Property.

B. The parties acknowledge that this Agreement contains reasonable conditions and requirements to be imposed upon the development of the Property, and that these restrictions are imposed to protect and enhance the public health, safety and welfare.

C. Pursuant to Article II, Section 30 of the Colorado Constitution, the Municipal Annexation Act, and Chapter 20.02 of the Code, the Town Council has annexed the Property into its municipal boundaries and has jurisdiction and authority over the Property as necessary to bind the Property to the Town Regulations and to provide Municipal Services to the Property.

D. Each Party has taken the requisite corporate action as may be required under its respective governance instruments to authorize such Party’s execution of this Agreement and to legally bind such Party to perform its obligation under this Agreement.

COVENANTS:

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

**ARTICLE I
DEFINITIONS**

1.01 Defined Terms. Unless the context expressly indicates to the contrary, the following words when capitalized in the text shall have the meanings indicated:

Agreement: this StorQuest-Liggett Road Annexation and Development Agreement and any amendments to this Agreement.

Charter: the Home Rule Charter of the Town, as amended.

Code: the Castle Rock Municipal Code, as amended.

C.R.S.: the Colorado Revised Statutes, as amended.

Development Exactions: the fees and charges imposed by Town under the Town Regulations on development, including the System Development Fees.

Development Plan: the I-2 Zoning Regulations, the Development Plan (inclusive of the Phasing Plan), and all utilities, drainage and easements on the Property.

Facilities: the infrastructure prescribed by Town Regulations necessary to furnish Municipal Services and Public Utilities to the Property, including the infrastructure required to extend or connect the Facilities to complementary infrastructure off-site of the Property and to serve Public Lands.

Interest: The interest provided on the payment shall commence on the date of recordation of this Agreement and shall be based on changes in the Colorado Construction Cost Index (CCI) as published by the State of Colorado Department of Transportation. In no event shall the payment decrease below the original amount as a result of applying CCI interest.

Municipal Services: public safety, water and wastewater, stormwater drainage and detention, parks and recreation, transportation and street maintenance, general administrative services including code enforcement and any other service provided by Town within the municipality under its police powers.

Owner: the person(s) in title to any portion of the Property, according to the records of the Douglas County Clerk and Recorder. The use of the singular "Owner" shall refer to all owners of the Property, unless the context of the Agreement otherwise limits the reference. As of the date of execution of this Agreement, the owner of the Property is KGCB Industries, LLC.

Plans: the plans, documents, drawings and specifications prepared by or for Owner for the construction, installation or acquisition of the Facilities.

Plat: a final subdivision plat of a portion of the Property.

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

Public Utilities: the infrastructure necessary to extend services (other than Municipal Services) to the Property, which are provided by a public or quasi-public utilities, including natural gas, electricity and cable television.

Records: the Douglas County, Colorado public records.

SIA: a Subdivision Improvements Agreement entered into between the Town and subdivider of a Plat, as required under the Code.

System Development Fees: the capital recovery charges for water and wastewater plant, storm water and renewable water fees imposed under the Code.

Town Regulations: the Charter, Code, ordinances, resolutions, rules and regulations of the Town, and the public works regulations, and the provisions of all zoning, subdivision and building codes, as the same may be amended from time to time and applied uniformly throughout the Town.

Water Rights: the unadjudicated Denver Basin groundwater underlying a portion of the Property.

Certain other terms are defined in the text of the Agreement and shall have the meaning indicated.

1.02 Cross-reference. Any reference to a section or article number, without further description shall mean such section or article in this Agreement.

ARTICLE II APPLICATION AND EFFECT

2.01 Binding Effect. Subject to this Section 2.01, 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, irrespective of whether specific reference to this Agreement is made in any instrument affecting title to the Property. Upon conveyance of all, or a portion of the Property, the Owner may elect to assign all or any rights or obligations imposed by this Agreement applicable to the portion of the Property conveyed, and upon such an assignment the grantor shall be relieved of all obligations so assigned, provided that: (i) the grantee expressly assumes such obligation, and (ii)

the 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.

2.02 Owner Responsibility. The Owner of the Property upon which development approval is requested shall have the ultimate responsibility for performance of the covenants and obligations assumed by Owner under this Agreement. However, Town shall accept performance of the covenants of the Agreement from a developer on behalf of the Owner, unless such performance requires the conveyance, encumbrance or security of the Owner's interest in the Property, in which event the express consent or joinder of the Owner shall be required.

2.04 Town Regulations. Subject and subordinate to any provisions to the contrary contained in this Agreement, (i) the Town Regulations shall apply to the Property in the same manner and effect as within other areas of the Town, and (ii) this Agreement shall not in any manner restrict or impair the lawful exercise by the Town Council of its legislative or police powers as applied to the Property, including specifically the amendment, modification or addition to the Town Regulations, subsequent to the execution of this Agreement. Provided, Owner does not waive its right to oppose or challenge the legality or validity of any amendment to the Town Regulations that it could maintain absent this Agreement.

When this Agreement calls for compliance with the Town Regulations, the operative Town Regulations in effect at the time such compliance is required shall govern unless the provisions of this Agreement expressly provide to the contrary.

2.05 Commencement of Development. Execution of this Agreement by Owner does not create any obligation upon Owner to commence or complete development of the Property within any particular timeframe. Consequently, with the exception of the obligations set forth in 6.01, the obligations of Owner under this Agreement are not enforceable by the Town until and unless development on the Property commences.

2.06 Required Easements. Owner shall convey to the Town any permanent easements including, but not limited to, stormwater, water, wastewater, right of way, maintenance access, and railroad crossing access on the Property or adjacent to the Property as requested by the Town prior to (i) the initial subdivision plat with respect to any easements on the Property and (ii) prior to the issuance of any certificates of occupancy with respect to any offsite easements. If there are multiple subdivision plats of the Property, the easements conveyed to the Town may be modified

or reconfigured as may be necessary to serve the Town in conjunction with approval of the additional subdivision plats.

ARTICLE III
GENERAL OBLIGATIONS

3.01 Municipal Services. Town shall provide the Property with Municipal Services at an equivalent service level and on the same terms and conditions as provided elsewhere within its municipal boundaries. Town reserves the right to contract with other governmental or private entities for delivery of Municipal Services to the Property, provided such service level is comparable to that provided by the Town in its proprietary capacity and services are provided on similar terms and conditions as provided in other portions of the Town.

3.02 Permitted Development. The development of the Property shall be in accordance with this Agreement, Town Regulations and subsequent land use approvals, and applicable state and federal law and regulations. Town shall allow and permit the development of the Property, (i) upon submission and approval of proper application(s) and permits, (ii) payment of fees, exactions and charges imposed by the Town Regulations, including Development Exactions, and (iii) compliance with conditions precedent to permitting imposed by this Agreement or Town Regulations. Town shall coordinate with Owner in any filings or applications before other governmental jurisdictions necessary for Owner to fulfill its obligations under this Agreement.

3.03 Disconnection from Fire District. Pursuant to the provisions of that certain agreement entered into between the Town and the Castle Rock Fire Protection District (“Fire District”) dated March 20, 1986, and recorded on November 7, 1986, in the Records at Book 677 at Page 918, (the “1986 Agreement”), (recorded as part of the Findings and Order of Dissolution of the Fire District), ordinances annexing territory within the boundaries of the Fire District to the Town are required to recite that all such annexed territory be excluded from the Fire District.

In compliance with the terms of the 1986 Agreement, Town hereby agrees to file a certified copy of the Annexation Ordinance with the District Court in Action No. 80CV209, and, upon receipt, record a certified copy of the Order of Exclusion entered by the court with the Clerk and Recorder of Douglas County, pursuant to the above-referenced Findings and Order.

ARTICLE IV WATER RIGHTS

4.01 Annexation Requirement. In accordance with the Charter and Code, it is the obligation of Owner to convey to Town the Water Rights to support Town's obligation to provide a municipal water supply to the Property. Town shall have no obligation to issue approvals for development on the Property unless Owner is in compliance with the provisions of this Article IV.

4.02 Conveyance.

A. Concurrently with recordation of this Agreement, Owner shall convey its interest in the Water Rights to Town by special warranty deed, free and clear of all liens and encumbrances. Owner shall either (i) prove ownership of the groundwater by providing an opinion from a water attorney that the Town is intended to rely upon or (ii) reimburse the Town for the costs of confirming ownership during the annexation process. Moreover, Owner shall provide releases of deeds of trust from any lienholder prior to conveyance of its interest in the Water Rights to Town.

B. Concurrently with and as a condition to recordation of this Agreement, Owner shall convey to Town by special warranty deed any interest it may have in the water rights underlying the Property, which deed will be recorded immediately following the special warranty deed referenced in 4.02.A, above.

4.03 Water Credit. With the conveyances set forth in 4.02, a credit of 2.67 SFE has been established against the Town's water dedication requirements for the benefit of the Property ("Water Credit"). The Water Credit of 2.67 SFE shall not be affected by changes in the conversion rate of Water Rights into SFE that the Town may implement through modifications to the Town Regulations after the date of this Agreement, including any future changes in the non-renewable dedication requirement under the Town Regulations.

The Water Credit is expressed as a single-family equivalent ("SFE"). An SFE is the measure of average annual wholesale water production that must be developed to meet the imputed demand from a single-family residence under the Town Regulations. Consequently, 1 SFE of Water Credit represents that the holder has satisfied the Town's water dedication requirement for one single-family residence.

4.04 Adjudication. Owner shall not be required to adjudicate the Water Rights prior to conveyance to Town. Town, in its sole discretion may undertake the adjudication. Adjudication will

not affect the amount of the Water Credit. In consideration of the Town undertaking the adjudication process for the Water Rights, concurrently with, and as a condition to recordation of this Agreement, Owner shall pay to Town \$1,130 to off-set Town’s costs for such adjudication.

4.05 Application of Water Credit. The Water Credit established under 4.03 shall be reduced (i.e. applied):

- (a) at the time of Plat approval by the total SFE assigned to all approved development (private and public) to the extent the water demand for such use can be determined at Plat approval; and
- (b) at the time of Site Development Plan approval or at building/irrigation permit issuance for those uses not accounted for at the time of Plat approval.

4.06 Water Bank. In order to properly account for the Water Credit, Town shall administratively maintain an account designated the StorQuest-Liggett Road Water Bank (“Water Bank”) The Water Bank shall periodically be debited or credited in accordance with this Article IV. The Water Bank shall be formatted as follows:

STORQUEST-LIGGETT WATER BANK					
Entry	Date Recorded	Recording Info	SFE Demand	SFE Supply	Net
Deed to Water Rights					
Plat			XX		

With any entry made by the Town, the Owner of the Water Bank (see 4.07) shall receive notification in writing, and any objection raised by the Owner and not resolved by administrative staff will be reviewed by the Director of Castle Rock Water whose determination made in accordance with this Agreement shall be final and binding.

4.07 Ownership and Transfer of Water Credit. The Water Credit shall be applied in accordance with this Agreement on a "first-come, first-served" basis to approved development within

the Property, unless the Owner(s) direct the Town in writing to allocate a certain portion of the Water Credit for use on a specific portion of the Property (“Allocated Water Credit”). In the event of such allocation, the Allocated Water Credit shall be used exclusively for the designated portion of the Property. The Allocated Water Credit may be transferred only after it is determined that the Allocated Water Credit exceeds the demand for the designated portion of the Property, in which event the Owner may reallocate the surplus for use on portions of the Property. Owner may grant a security interest in the Water Credit to a creditor, provided that such creditor’s use of the Water Credit upon foreclosure of the security interest shall be subject to all rights, conditions and restrictions contained in this Article IV.

The Water Credit may not be assigned or transferred for use on properties other than the Property. Any unused portion of the Water Credit remaining after full development of the Property shall revert to the Town, at no cost or obligation to Town.

4.08 Required Water Sources. If the Water Bank is exhausted prior to full development of the Property, the Owner shall be required to provide additional water resources or pay to Town cash-in-lieu of water rights in accordance with the Town Regulations then in effect. Absent provision of such additional water resources, Town shall not be obligated to approve further development approvals for the Property.

ARTICLE V

FACILITIES DEVELOPMENT

5.01 Responsibility. Except for (i) Facilities the Town is obligated to develop under the Town Regulations in consideration of the Development Exactions, or (ii) Facilities that the Town assumes the obligation to develop under the express terms of this Agreement, development of the Facilities is the exclusive obligation of Owner, and, except as provided otherwise herein, Owner shall bear the cost of planning, design, construction and financing of the Facilities and all other related and incidental activities. The property interests necessary for the Town to maintain the Facilities shall be conveyed or dedicated to Town in accordance with the Town Regulations and at no cost to Town. Owner shall convey at no cost to Town all rights-of-way and easements within the Property necessary for the construction and maintenance of transportation Facilities.

The Facilities shall be developed in strict accordance with Town Regulations, this Agreement, the I-2 Zoning Regulations, the applicable SDP, and the applicable SIA and Plat.

Owner's construction of the Facilities shall not relieve it of the obligation to pay in full applicable Development Exactions, unless expressly authorized in the Town Regulations, this Agreement or the SIA. Upon dedication of Facilities by Owner and acceptance by Town, Town shall have the exclusive management and control of the Facilities and shall maintain the Facilities at its cost.

5.02 Cooperation in Facilities Development. Town and Owner shall cooperate in obtaining necessary permits and approvals required by other governmental agencies in order to develop Facilities. Town shall apply for any such permits or approvals in its name or in the joint names of the Town and Owner, if so required by the governmental agencies.

5.03 Facilities Surety. Owner shall post surety in accordance with Town Regulations to assure the completion and warranty of Facilities.

5.04 Subdivision Improvements Agreement. The Town Regulations require that a subdivider enter into a SIA at the time of approval of a Plat. The SIA addresses with greater specificity the Facilities to be constructed to serve the Plat as well as other site specific provisions.

5.05 Off-site Facilities. Owner shall be obligated to acquire the necessary easement or fee interest (as required by Town) from adjacent properties necessary to develop any off-site Facilities to serve the Property. Owner shall have the right to utilize any current rights of way or easements owned or controlled by Town as necessary to construct the Facilities and develop the Property, subject to compliance with applicable Town Regulations and compatibility with existing and planned Town infrastructure. Town shall cooperate with Owner in obtaining the cooperation and consent of any other governmental entities to utilize any applicable rights of way held or controlled by another governmental entity.

5.06 Oversizing of Facilities. In the event the Town requests Owner to construct Facilities that are oversized (i) to serve areas within the Town other than the Property, and (ii) of a greater capacity than required for the Property under the Town Regulations, the incremental cost of materials for the additional Facility capacity, together with the incremental engineering and design costs (collectively, the "Oversizing Costs") incurred by Owner as a result of Town's election to oversize such Facilities shall be paid by Town.

Prior to the construction of any oversized Facility, Owner shall secure written bids from no less than two (2) contractors for the construction or installation of such Facility. The bids shall be submitted to Town along with an estimated date of commencement of construction of the

oversized facility (“Construction Notice”) for its review and approval prior to the construction of such Facility. Should Town fail to approve or disapprove any bid in writing within fifteen (15) days of submittal, Owner may proceed with the bid that it deems most appropriate under the circumstances. Should Town reject the bids for good cause, Owner shall re-bid the Facility construction and resubmit the bids to Town pursuant to this Section 6.06. Town shall pay the Oversizing Costs concurrently with the payment of such obligation by Owner under the terms of the applicable design and construction contracts, provided Town shall not be required to make payments sooner than 180-days after the Construction Notice.

5.07 Phasing of Development. Owner shall have the right to develop the Property in Phases in accordance with the Phasing Plan. The Phases may be developed separately, out of order, or in combination. Notwithstanding anything to the contrary in this Agreement, the Owner shall have no obligation to develop the Property or any Phase; provided, however, if the Owner develops any Phase, then concurrent with the development of such Phase, Owner shall construct the Facilities (on-site and off-site) necessary to serve such Phase in accordance with the approved Phasing Plan.

ARTICLE VI PUBLIC IMPROVEMENTS

6.01 Right of Way Conveyance. As a condition to recordation of this Agreement, Owner shall convey to Town, at no cost to Town, the real property described in the attached *Exhibit 2* as additional right-of-way for the future widening of Liggett Road. Such conveyance shall be made in accordance with 7.02, below.

6.02 Frontage Road Improvements. The Owner shall construct frontage road improvements on Liggett Road, including but not limited to: sidewalk, curb and gutter, travel lanes, turn lanes, curb ramps, street lights, lane striping, storm sewer and pavement transitions as necessary to transition into existing lanes north and south of the Property.

6.03 Liggett Road Resurfacing. Due to anticipated development on the Property, Owner acknowledges that project traffic will primarily utilize and impact the pavement of Liggett Road, in addition to pavement degradation resulting from the installation of subsurface utilities required to service the Property. Therefore, Owner shall be required, at its sole expense, to mill and overlay Liggett Road after the installation of said utilities for the westerly half of the street on the

Property's frontage and transition tapers as shown in *Exhibit 3* prior to the issuance initial acceptance of the public improvements on the Property. The depth of the mill and overlay shall not exceed three inches (3") or at a depth as approved by the Town, in its sole discretion.

6.04 Access to Private Driveway. Upon written direction of the Town, Owner, at its sole expense, shall grant, including such public access easements across Owner's property as may be necessary, to the private driveway to those properties located adjacent to the western and southern project boundaries as shown on *Exhibit 4* at such time as said properties initially develop. The Town will, to the extent feasible, make a good faith effort to recoup pro-rata driveway costs from the adjacent properties pursuant to development of said adjacent properties.

6.05 North Access to Property. The proposed north access to the site does not meet the criteria for access spacing. With the approval of a technical criteria variance, the access may allow left turning movements (northbound and eastbound) on Liggett Road until traffic volumes and/or street construction projects require limiting access. At that point, the access may be restricted to a right-in/right-out movement. The Owner agrees that Town, in its sole discretion, reserves the right to restrict the turning movements of any access to the Property at any time, based on safety concerns, warrants, or any other reasonable rationale.

6.06 Liggett Road Intersection Control. Development on the Property will impact and benefit from the construction of a new intersection control that may occur at Liggett Road, Castleton Court, and Highway 85 ("Intersection Control"). Town, in its sole discretion, shall determine the type of Intersection Control in the area, including but not limited to, roundabout, signalization, and/or turn lane additions. Owner's pro-rata share, as determined by the traffic analysis provided for anticipated development on the Property, is \$6,135 and will also include Interest that will accrue following recordation of the first plat of the Property. In the event, the Property is approved for a higher traffic generating use, the Town may, in its sole discretion, require additional payment for the construction of the Intersection Control based upon the pro-rata share of a future use. Owner shall remit any additional payments within 30-days written notice from the Town. Town may withhold building permits and/or certificates of occupancy on the Property until such time said payment is received by Town.

6.07 Cash-In-Lieu. With prior Town consent in writing, Owner may pay cash-in-lieu of construction for all or partial transportation improvements. Cash-in-lieu of construction will be

required at the time of first Plat on the Property and will be addressed in the Project's SIA or amendments thereof.

ARTICLE VII PUBLIC LANDS AND FACILITIES

7.01 Public Land Dedication. Concurrently with and as a condition to recordation of the first Plat on the Property, Owner shall pay to Town three thousand nine hundred and twenty dollars (\$3920.00) as cash-in-lieu of public land dedication for the Property. In the event of a use different than self-storage and RV storage, additional public land dedication may be required, as determined by the Town in its sole discretion.

7.02 Conveyance. Any lands to be conveyed to Town under this Agreement shall be conveyed by special warranty deed, subject to matters of record but free and clear of liens, or other title impediments that would preclude Town from utilizing the property for its intended purposes, as reasonably determined by Town. Unless otherwise provided in the Town Regulations to the contrary, the grantor shall furnish the Town with a policy of title insurance, issued by a title company licensed to do business in the State of Colorado, in an amount reasonably approximating market value of the Public Land in its undeveloped condition and reflecting its current zoning as the highest and best use. If so requested by Town or required by the Town Regulations, Owner shall complete a Phase 1 environmental audit of the lands to be conveyed prior to such conveyance and acceptance by Town, and shall be solely responsible for any remedial environmental measures of hazards identified in the audit.

7.03 Exclusion of Covenants. Owner shall exclude all Public Lands from application and effect of restrictive covenants, which may otherwise be imposed on the Property. If any Public Lands are inadvertently made subject to such covenants, this Agreement shall constitute the irrevocable consent of the Owner and the Board of Directors of any owner association to the exclusion of the Public Lands from the application of such covenants. However, prior to constructing or placing any structures on Public Land, Town shall give Owner and the applicable owner's association a reasonable opportunity to review and comment on the design and plans for any such improvements, but Town shall retain the ultimate authority to determine what improvements are placed on Public Lands.

7.04 Landscape Maintenance. Owner shall have the responsibility for the maintenance of landscaping within any public street right-of-way dedicated by Owner to the Town that is required to be installed in connection with development of the Property, including water, irrigation system, features, plantings, etc., for the landscaping between the right-of-way and street curbing, as well as within street medians and roundabout islands. Such maintenance shall be at the sole expense of Owner and to the standard for maintenance established by Town of Castle Rock Landscape and Irrigation Performance Standards and Criteria Section 4.3. Owner's maintenance obligation includes procurement of water services from the Town and payment of applicable water service charges under the Town Regulations. Owner may delegate its maintenance obligation to a owner association and Town shall accept performance by the owner association of such maintenance obligations. Upon acceptance of such maintenance obligations by the owner association, the Town agrees to release Owner from further maintenance obligations under this Agreement with respect to those improvements accepted.

ARTICLE VIII DEFAULT AND REMEDIES

8.01 Event of Default. Failure of Town or Owner to perform any covenant, agreement, obligation or provision of this Agreement, constitutes an event of default under this Agreement.

8.02 Default Notice. In the event either party alleges that the other is in default, the non-defaulting party shall first notify the defaulting party in writing of such default, and specify the exact nature of the default in such notice. Except as otherwise provided herein, the defaulting party shall have twenty (20) business days from receipt of such notice within which to cure such default before the non-defaulting party may exercise any of its remedies hereunder.

8.03 Remedies. In addition to specific remedies provided elsewhere in this Agreement (including Town's right to withhold development approvals), upon notice of default and failure to cure in accordance with 8.02, the non-defaulting party shall have the right to take whatever action, at law or in equity, which appears necessary or desirable to enforce performance and observation of any obligation, agreement or covenant of the defaulting party under this Agreement, or to collect the monies then due and thereafter to become due. In any such legal action, the prevailing party shall be entitled to recover its reasonable attorney's fees and litigation costs from the other party.

**ARTICLE IX
GENERAL PROVISIONS**

9.01 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.

9.02 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 gender, 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.

9.03 Notice. The addresses of the parties to this Agreement are listed below. Any and all notices allowed or required to be given in accordance with this Agreement are deemed to have been given when delivered to the other parties or five (5) days following the date the same is deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, addressed to the other parties at the addresses noted, or such address as is subsequently endorsed in writing, or in the event of transfer of the Property to the address of such grantee as indicated in the recorded instrument whereby such grantee acquired an interest in the Property.

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

If to Owner: KGCB INDUSTRIES, LLC
 6051 Crestbrook Drive
 Morrison, CO 80465

If to Mortgagee: Keybank NA
 4535 Milestone Lane
 Castle Rock, CO 80104

If to Mortgagee: Michael W. Sweeney and Cynthia L. Sweeney
 9649 Brook Hill Lane
 Lone Tree, CO 80124

If to Mortgagee: Colorado Lending Source, Ltd.
518 17th Street, Unit 1800
Denver, CO 80202

9.04 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.

9.05 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.

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

9.07 Entire Agreement. This instrument embodies the whole agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein; and this Agreement shall supersede all previous communications, representations or agreements, either verbal or written.

[Remainder of Page Intentionally Left Blank]

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Michael J. Hyman, Town Attorney

COUNTY OF)
) ss.
STATE OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 2021, by Lisa Anderson as Town Clerk and Jason Gray as Mayor for the Town of Castle Rock, Colorado.

Witness my official hand and seal.
My commission expires: _____.

(S E A L)

Notary Public

OWNER:

_____, a Colorado limited liability company

By: _____

Its: _____

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021 by _____ as _____ for _____, a Colorado limited liability company.

Witness my official hand and seal.
My commission expires: _____

(S E A L)

Notary Public

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 _____ at Reception No. _____ 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.

MORTGAGEE:

By: _____

Its: _____

AND

By: _____

Its: _____

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____,
20__ by _____ as _____ for

Witness my official hand and seal.
My commission expires: _____.

(S E A L)

Notary Public

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 _____ at Reception No. _____ 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.

MORTGAGEE:

By: _____

Its: _____

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____,
20__ by _____ as _____ for

Witness my official hand and seal.
My commission expires: _____.

(S E A L)

Notary Public

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 _____ at Reception No. _____ 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.

MORTGAGEE:

By: _____

Its: _____

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this ____ day of _____,
20__ by _____ as _____ for

Witness my official hand and seal.
My commission expires: _____.

(S E A L)

Notary Public

EXHIBIT 1
Legal Descriptions

Parcel 1 (2351-340-00-009)

A TRACT OF LAND SITUATED PARTLY IN THE NORTHEAST 1/4 OF SECTION 34, AND PARTLY IN THE NORTHWEST 1/4 OF SECTION 35, ALL IN TOWNSHIP 7 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST 1/4 CORNER OF SAID SECTION 34;
THENCE NORTHERLY ALONG THE EAST LINE OF SAID NORTHEAST 1/4 A DISTANCE OF 379.68 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF THE STATE HIGHWAY, THE TRUE POINT OF BEGINNING;
THENCE ON AN ANGLE TO THE LEFT OF 28 DEGREES 42 MINUTES 30 SECONDS A DISTANCE OF 232.92 FEET ALONG THE SAID WESTERLY RIGHT OF WAY LINE;
THENCE ON AN ANGLE TO THE LEFT OF 90 DEGREES 00 MINUTES 00 SECONDS A DISTANCE OF 320.29 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF THE DENVER AND RIO GRANDE RAILROAD;
THENCE ON AN ANGLE TO THE LEFT OF 87 DEGREES 27 MINUTES 15 SECONDS A DISTANCE OF 305.79 FEET ALONG SAID EASTERLY RIGHT OF WAY LINE;
THENCE ON AN ANGLE TO THE LEFT 90 DEGREES 13 MINUTES 45 SECONDS A DISTANCE OF 334.15 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF THE STATE HIGHWAY;
THENCE ON AN ANGLE TO THE LEFT OF 92 DEGREES 19 MINUTES 00 SECONDS A DISTANCE OF 86.08 FEET ALONG SAID WESTERLY RIGHT OF WAY LINE TO THE POINT OF BEGINNING, COUNTY OF DOUGLAS, STATE OF COLORADO.

Parcel 2 (2351-341-00-008)

A TRACT OF LAND SITUATED IN THE NORTHEAST 1/4 OF SECTION 34, TOWNSHIP 7 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN, DOUGLAS COUNTY, COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST ONE QUARTER CORNER OF SECTION 34; THENCE NORTH ALONG THE EAST LINE OF SAID NORTHEAST 1/4 A DISTANCE OF 379.68 FEET TO THE WEST RIGHT OF WAY LINE OF STATE HIGHWAY; THENCE NORTHWESTERLY ALONG SAID WEST RIGHT OF WAY LINE ON A DEFLECTION ANGLE TO THE LEFT OF 28 DEGREES 42 MINUTES 30 SECONDS A DISTANCE OF 232.92 FEET TO THE NORTHEASTERLY CORNER OF THE SWEENEY PROPERTY (BOOK 938, PAGE 1074 OF THE DOUGLAS COUNTY RECORDS); THENCE SOUTHWESTERLY ON A DEFLECTION ANGLE TO THE LEFT OF 90 DEGREES 00 MINUTES 00 SECONDS A DISTANCE OF 320.29 FEET TO THE NORTHWESTERLY CORNER OF THE SWEENEY PROPERTY AND TO THE TRUE POINT OF BEGINNING; THENCE SOUTHEASTERLY ON A DEFLECTION ANGLE TO THE LEFT OF 92 DEGREES 32 MINUTES 45 SECONDS ALONG A LINE 150 FEET EASTERLY OF AND PARALLEL WITH THE CENTERLINE OF THE RAILROAD A DISTANCE OF 477.83 TO THE SOUTH LINE OF THE NORTHEAST 1/4; THENCE WEST ALONG SAID SOUTH LINE A DISTANCE OF 109.49 FEET TO A LINE 50 FEET EAST OF AND PARALLEL WITH THE CENTERLINE OF THE RAILROAD; THENCE NORTHWESTERLY ALONG SAID PARALLEL LINE A DISTANCE OF 428.79 FEET TO THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SWEENEY PROPERTY; THENCE EASTERLY ALONG SAID WESTERLY EXTENSION A DISTANCE OF 100.10 FEET TO THE POINT OF BEGINNING.

Parcels 3 (2351-352-00-006) and 4 (2351-340-00-035)

A TRACT OF LAND SITUATED IN THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 35 AND IN THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 34, TOWNSHIP 7 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN, DOUGLAS COUNTY, COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 34;
THENCE NORTH 89 DEGREES 32 MINUTES 53 SECONDS WEST ALONG THE SOUTH LINE OF SAID SOUTHEAST 1/4 OF THE NORTHEAST 1/4 A DISTANCE OF 178.79 FEET TO THE EAST RIGHT OF WAY LINE OF THE DENVER & RIO GRANDE WESTERN RAILROAD;
THENCE NORTH 23 DEGREES 34 MINUTES 37 SECONDS WEST ALONG SAID EAST RIGHT OF WAY LINE A DISTANCE OF 172.04 FEET;
THENCE NORTH 64 DEGREES 22 MINUTES 08 SECONDS EAST A DISTANCE OF 334.15 FEET TO THE WEST RIGHT OF WAY LINE OF LIGGETT ROAD;
THENCE SOUTH 27 DEGREES 56 MINUTES 52 SECONDS EAST ALONG SAID WEST RIGHT OF WAY LINE A DISTANCE OF 347.75 FEET TO THE SOUTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 35;
THENCE NORTH 89 DEGREES 03 MINUTES 33 SECONDS WEST ALONG SAID SOUTH LINE A DISTANCE OF 216.68 FEET TO THE POINT OF BEGINNING.

EXCEPTING FROM THE ABOVE ANY PORTION CONVEYED TO DOUGLAS COUNTY IN DEED RECORDED AUGUST 30, 1927 IN BOOK 73 AT PAGE [239](#).

SITE DEVELOPMENT PLAN

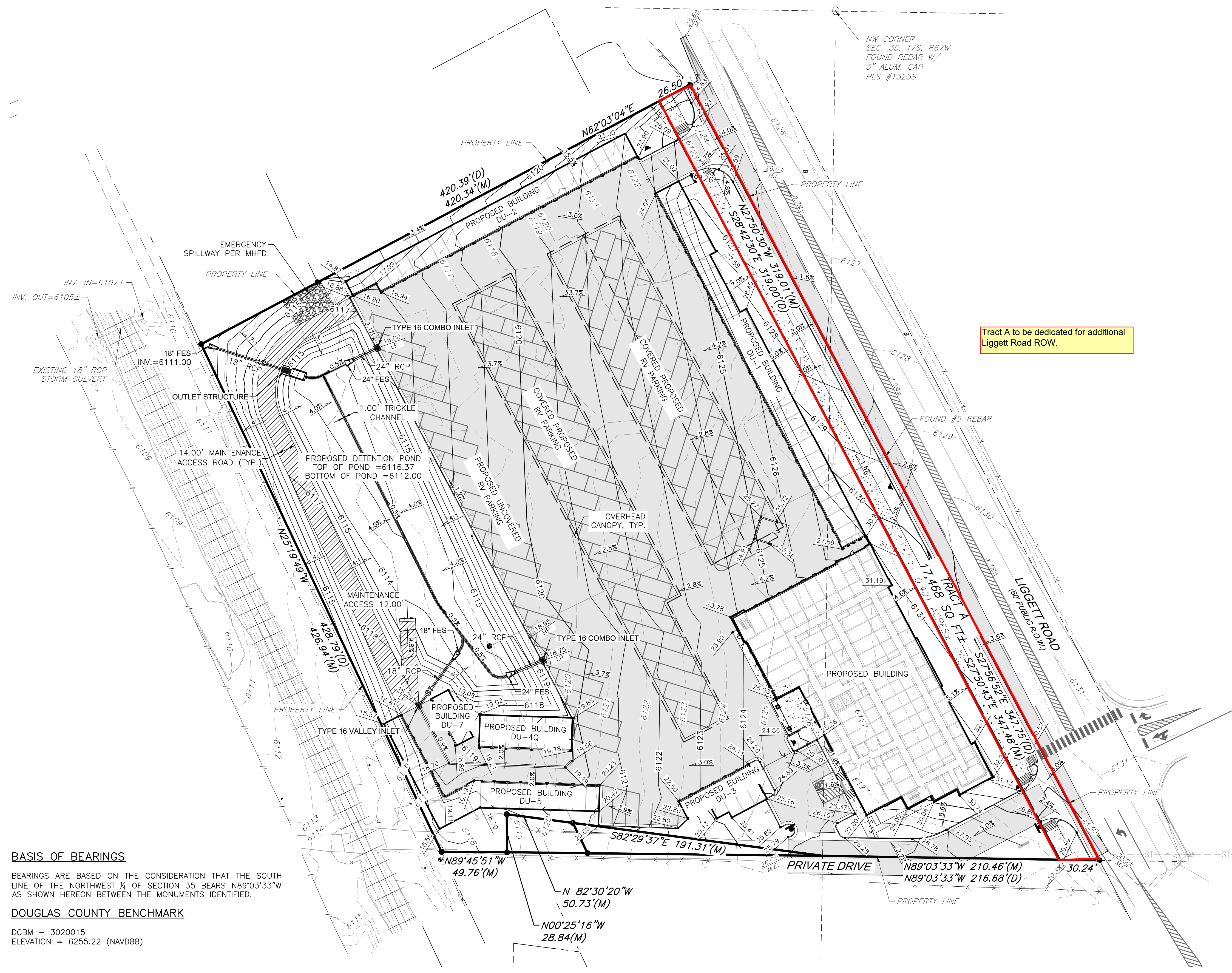
STORQUEST CASTLE ROCK

PARCEL 1, 2, AND 3 LOCATED IN SECTIONS 34 AND 35, TOWNSHIP 7 SOUTH, RANGE 67 WEST OF THE 6TH P.M., TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO.
SDP21-0022

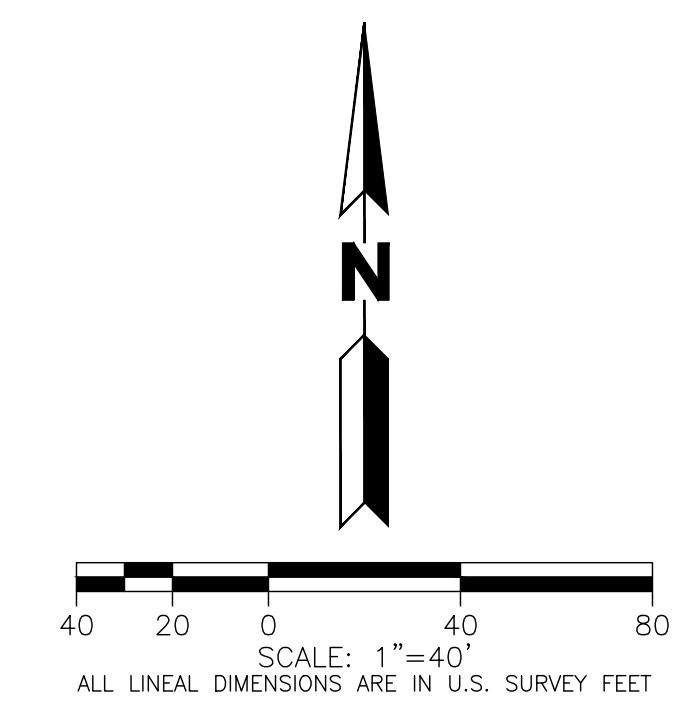
LEGEND

EXISTING		PROPOSED
	PROPERTY LINE	
	RIGHT-OF-WAY LINE	
	SECTION LINE	
	EASEMENT	
	RETAINING WALL	
	CURB & GUTTER	
	CONTOURS	
	STORM SEWER	
	STORM MANHOLE	
	ROOF DRAIN	
	INLET	
	FLARED END SECTION	
	SIGN	
	GRADING ARROW	
	DECIDUOUS TREE	
	EVERGREEN TREE	
	BUSH/SHRUB	
	DESCRIPTIONS	
	SPOT ELEVATIONS	

Exhibit 2



Tract A to be dedicated for additional Liggett Road ROW.



CALL 811 2-BUSINESS DAYS IN ADVANCE BEFORE YOU DIG, GRADE OR EXCAVATE FOR MARKING OF UNDERGROUND MEMBER UTILITIES

MARTIN/MARTIN ASSUMES NO RESPONSIBILITY FOR UTILITY LOCATIONS. UNLESS OTHERWISE NOTED, THE UTILITIES SHOWN ON THIS DRAWING ARE BASED ON INFORMATION PROVIDED BY OTHERS AND DEPICTED AS ASCE (38) QUALITY LEVEL D. IN ACCORDANCE WITH THE PROVISIONS OF COLORADO REVISED STATUTE, TITLE 9, IT IS THE CONTRACTOR'S RESPONSIBILITY TO CALL COLORADO 811 UTILITY LOCATE SERVICE FOR UTILITY LOCATES BEFORE DIGGING, AND FIELD VERIFY THE SIZE, MATERIAL, HORIZONTAL AND VERTICAL LOCATION OF ALL EXISTING UTILITIES (DEPICTED OR NOT DEPICTED) PRIOR TO THE COMMENCEMENT OF ANY CONSTRUCTION.

BASIS OF BEARINGS
BEARINGS ARE BASED ON THE CONSIDERATION THAT THE SOUTH LINE OF THE NORTHWEST ¼ OF SECTION 35 BEARS N89°03'33"W AS SHOWN HEREON BETWEEN THE MONUMENTS IDENTIFIED.

DOUGLAS COUNTY BENCHMARK
DCBM - 3020015
ELEVATION = 6255.22 (NAVD88)

GENERAL GRADING PLAN
DATE: 19 JULY 2021
PAGE 4 OF 15 PAGES

SITE DEVELOPMENT PLAN

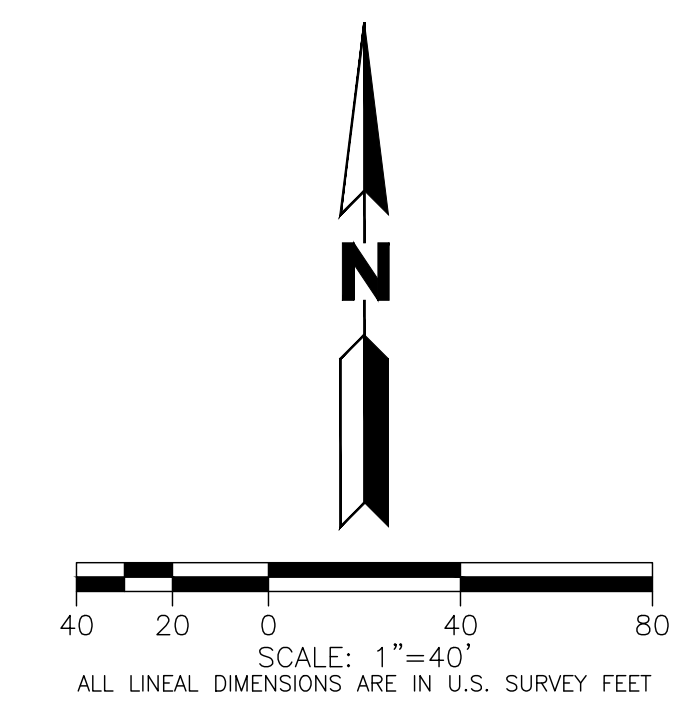
STORQUEST CASTLE ROCK

PARCEL 1, 2, AND 3 LOCATED IN SECTIONS 34 AND 35, TOWNSHIP 7 SOUTH, RANGE 67 WEST OF THE 6TH P.M., TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO.
SDP21-0022

LEGEND

EXISTING		PROPOSED
—	PROPERTY LINE	—
- - -	RIGHT-OF-WAY LINE	- - -
—	SECTION LINE	—
- - -	EASEMENT	- - -
	RETAINING WALL	
====	CURB & GUTTER	====
-5750-	CONTOURS	-5750-
-ST-	STORM SEWER	-ST-
⊙	STORM MANHOLE	⊙
-RD-	ROOF DRAIN	-RD-
□	INLET	□
<	FLARED END SECTION	△
→	SIGN	→
→	GRADING ARROW	→
○	DECIDUOUS TREE	○
★	EVERGREEN TREE	★
●	BUSH/SHRUB	●
○	DESCRIPTIONS	○
↙	SPOT ELEVATIONS	↙

Approximate Mill and Overlay Area

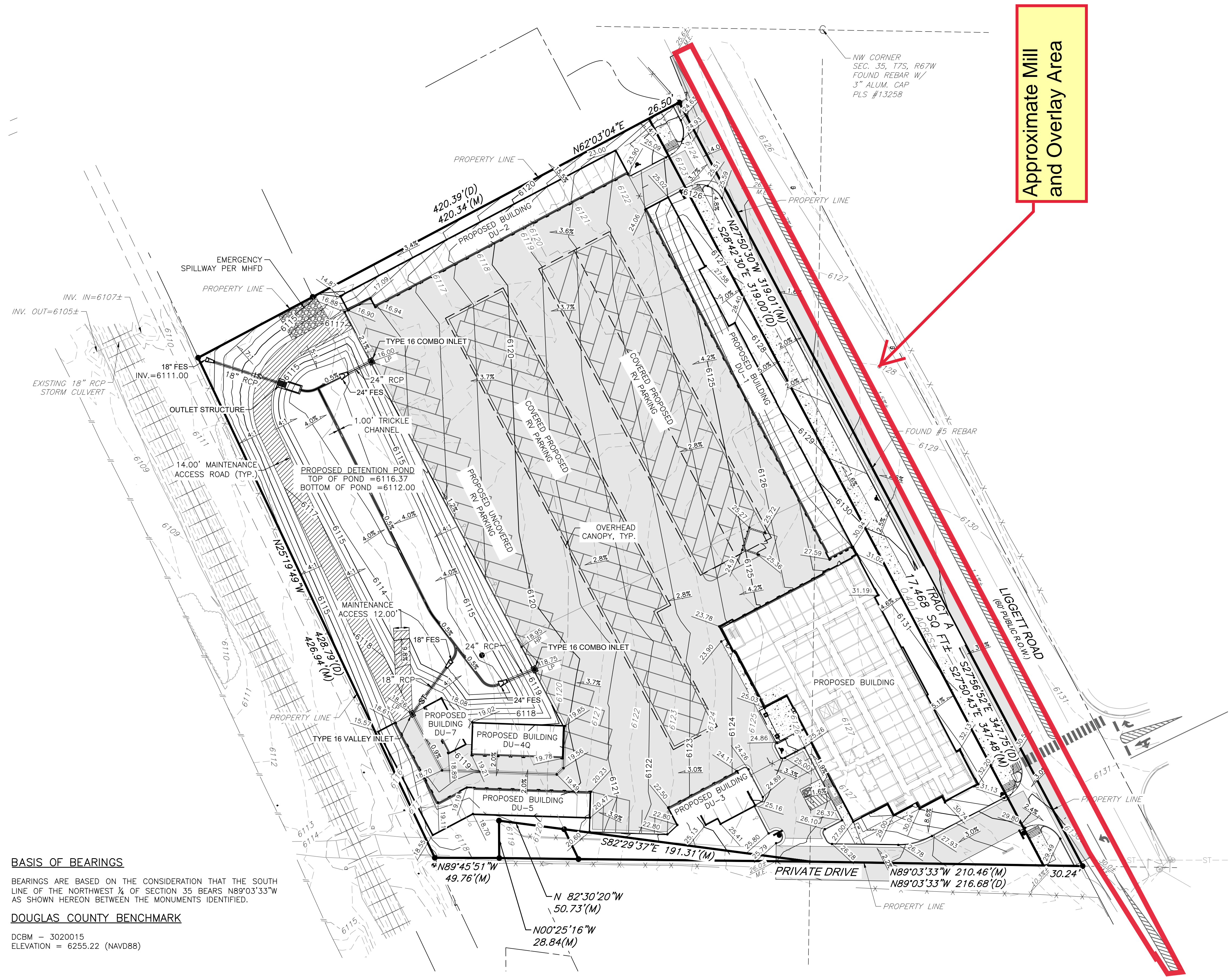


811 2-BUSINESS DAYS IN ADVANCE
BEFORE YOU DIG, GRADE OR EXCAVATE FOR MARKING OF UNDERGROUND MEMBER UTILITIES

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GENERAL GRADING PLAN
DATE: 19 JULY 2021
PAGE 4 OF 15 PAGES

Exhibit 3



BASIS OF BEARINGS
BEARINGS ARE BASED ON THE CONSIDERATION THAT THE SOUTH LINE OF THE NORTHWEST ¼ OF SECTION 35 BEARS N89°03'33"W AS SHOWN HEREON BETWEEN THE MONUMENTS IDENTIFIED.

DOUGLAS COUNTY BENCHMARK
DCBM - 3020015
ELEVATION = 6255.22 (NAVD88)

Exhibit 4



Real Property


 Parcel

Public Land Survey System

 Township

 Section

General Features

 School

 Private Road

 Railroad

Adjacent properties served by private driveway along southern project boundary

Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community, 2020 DRAPP, Douglas County GIS Services, Eagle View

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