

## PURCHASE AND SALE AGREEMENT

**THIS PURCHASE AND SALE AGREEMENT (“Agreement”)** is made as of this 25th day of May, 2021 (the “**Effective Date**”), by and between **Douglas County School District RE-1 (“Seller”)**, a Colorado public school district and **Aspen View Academy Building Corporation (“Buyer”)**, a Colorado nonprofit corporation and affiliated entity of **Aspen View Academy (“Charter School”)**, a Colorado non-profit and public charter school.

### RECITALS

**WHEREAS**, Seller holds title to land located at 2131 Low Meadow Blvd. Castle Rock, CO 80109, County of Douglas, State of Colorado, the legal description of which is attached hereto as **Exhibit A** and incorporated herein (an updated description may be provided upon review of the Title Commitment), including the land and improvements existing thereon, which shall include buildings, fixtures, hereditaments and easements appurtenant thereto, and all of Seller's right, title and interest in (if any) to the following (collectively referred to as the “Property”).

**WHEREAS**, Seller and Charter School entered into that certain Installment Purchase Agreement dated October 22, 2012 (the “Lease”), incorporated herein by this reference, in which Seller granted to Charter School an option to purchase the Property, under those terms and conditions expressed in the Lease (“Purchase Option”);

**WHEREAS**, on April 15, 2021 the Charter School’s board of directors voted to exercise the Purchase Option and assign its rights to the Purchase Option to Buyer in order to facilitate the required financing to purchase;

**WHEREAS**, the Charter School provided notice to the Seller of its exercise of the Purchase Option on April 16, 2021; and

**WHEREAS**, Buyer desires to purchase the Property from Seller, and Seller desires to sell the Property to Buyer, all upon the terms and conditions set forth herein.

### AGREEMENT

**NOW, THEREFORE**, in consideration of the obligations and undertakings hereinafter set forth, and in consideration of the sums to be paid by Buyer, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Seller and Buyer agree as follows:

#### ARTICLE I PURCHASE AND SALE OF THE PROPERTY

I.1 Purchase. For the consideration hereinafter set forth, but subject to the terms, provisions, covenants, and conditions contained herein, Seller hereby agrees to sell and convey to Buyer, and Buyer agrees to purchase from Seller, all of Seller’s right, title, and interest in and to the Property. Seller and Buyer acknowledge that the Contract represents the final agreement between Buyer and Seller of Buyer’s exercise of the Purchase Option, via assignment from the

Charter School. Execution of this Agreement shall represent conclusive evidence that the notice required by the Lease was duly sent by Buyer and received by Seller. By executing this document the Seller agrees that it consents to the assignment of the Purchase Option from Charter School to Buyer. By executing this document the Seller provides this written approval for the Charter School or Buyer to enter into requisite financing agreements for debt acquisition and asset encumbrance needed to fund the Purchase Price, construction, and related expenses for acquiring and construction facilities on the Property.

I.2 Purchase Price.

(a) Purchase Price. The purchase price for the Property (the “**Purchase Price**”) shall be the Lease’s Option Price, defined as the amount necessary to defease the Certificates of Participation, as defined in the Lease, on the next available call date following the date on which the Purchase Option is exercised, which amount is \$12,419,912.52.

(b) Payment of the Purchase Price. The Purchase Price shall be paid by the Buyer via cash, cashier’s check, wire transfer or other immediately available funds on the Closing Date, as defined below.

I.3 Closing.

(a) Closing Agent. Buyer shall appoint a Closing Agent as the agent for managing the closing of the transaction contemplated by this Agreement.

(b) Filings. The Closing Agent, as the party designated as the person responsible for closing the transaction contemplated hereby within the meaning of Section 6045(a)(2)(A) of the Internal Revenue Code (the “**Code**”), shall file all necessary information, reports, returns, and statements regarding this transaction as required by the Code, including, without limitation, any tax reports required pursuant to Section 6045 of the Code.

(c) General Provisions. The parties agree to the following general provisions regarding the Closing Agent’s duties hereunder, provided that nothing set forth below shall in any way limit or modify the Closing Agent’s obligations under this Agreement:

(i) Funds due to Seller shall be disbursed by wire transfer pursuant to the closing instructions provided by Seller in writing to the Closing Agent prior to or at Closing.

## ARTICLE II TITLE COMMITMENT

II.1 Within thirty (30) days following the Effective Date, Buyer will obtain a current title commitment (“**Title Commitment**”) for an owner’s title policy showing the status of title of the Property, and all exceptions, including easements, restrictions, right-of-way, covenants,

reservations and other conditions affecting the Property, committing the title company to issue its extended owner's title policy to Buyer in the full amount of the purchase price for the Property at the Closing. Buyer shall provide a copy of the Title Commitment to Seller

### **ARTICLE III REPRESENTATIONS AND WARRANTIES; INDEMNIFICATION**

III.1 Seller's Representations and Warranties. Seller represents and warrants to Buyer as follows as of the Effective Date and as of the Closing Date which representations and warranties shall survive for three (3) years after the Closing Date:

(a) Authority. Seller has the full right and authority to enter into this Agreement and consummate the transaction contemplated by this Agreement.

(b) Bankruptcy. There are no pending attachments, executions, assignments for the benefit of creditors or voluntary or involuntary proceedings in bankruptcy or under any other debtor relief laws initiated by Seller or, to Seller's actual knowledge, initiated or threatened against Seller or the Property.

(c) No Violations. Neither the execution of this Agreement nor the performance by Seller of its obligations under this Agreement will result in any breach or violation of: (i) any decree, judgment or order to which Seller or any constituent member of Seller is a party now in effect from any court or governmental body; or (ii) to Seller's actual knowledge, the terms of any law, rule, ordinance, or regulation applicable to Seller. The execution and delivery of this Agreement and performance by Seller of its obligations under this Agreement will not conflict with or result in a breach or default (or constitute a default) under Seller's organizational documents or any indenture, mortgage, lease, agreement, or other instrument to which Seller is a party or by which Seller or any of its assets may be bound.

(d) Seller is the legal owner of the Property.

(e) Seller has not received any written notices from any governmental authority that the Property is presently in violation in any material respect with any applicable statutes, ordinances, codes, rules, and regulations of any governmental authority having jurisdiction over the Property or is the subject of a condemnation proceeding.

(f) Seller has not entered into any lease or other agreement for possession or sale with any person (except with Charter School and/or Buyer) pursuant to which such person has any interest or future right or interest to occupancy, possession or use of all or any portion of the Property.

(g) Seller has not received notice that the Property is in violation of any Environmental Law relating to Hazardous Substances on, under or about the Property

III.2 Buyer's Representations and Warranties. Buyer represents and warrants to Seller as follows as of the Effective Date and as of the Closing Date, which representations and warranties shall survive for three (3) years after the Closing Date:

(a) Authority. Buyer is a nonprofit corporation validly formed, duly organized and existing and in good standing under the laws of the State of Colorado and is duly authorized to transact business in the state in which the Property is located. Buyer has the full right and authority to enter into this Agreement and consummate the transaction contemplated by this Agreement. All requisite action has been and will be taken by and on behalf of Buyer in connection with the entering into of this Agreement, the instruments referenced herein and consummating the transaction contemplated hereby. The persons and/or entities signing this Agreement on behalf of Buyer are authorized to do so.

(b) Bankruptcy. There are no pending attachments, executions, assignments for the benefit of creditors or voluntary or involuntary proceedings in bankruptcy or under any other debtor relief laws initiated by Buyer or, to Buyer's actual knowledge, initiated or threatened against Seller or the Property.

(c) Foreign. Neither Buyer nor any holder of an interest in Buyer is a "Specially Designated National" or "Blocked Person" identified on any executive order or list published by the Office of Foreign Asset Control, Department of the Treasury. Seller's name listed on the first page of this Agreement is the full and complete legal name of Seller. Buyer is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code.

## **ARTICLE IV CLOSING**

IV.1 Time of Closing. The closing of the transactions contemplated hereby (the "**Closing**") shall take place on a date to be provided to the Seller by the Buyer, in escrow in the offices of the Closing Agent on or before the forty-fifth day following the Effective Date, unless mutually agreed by the parties to extend beyond that time period, which agreement to extend shall not be unreasonably withheld by Seller (the "**Closing Date**").

IV.2 Closing Deliveries. At the Closing the following shall occur:

(a) Deed. Seller shall deposit with Closing Agent a duly executed and acknowledged special warranty deed (the "**Deed**") in a form attached to the Lease as Exhibit B;

(b) Affidavit of Property Value (Seller). Seller shall deliver to the Closing Agent, an executed Affidavit of Property Value as required by Colorado law;

(c) FIRPTA Affidavit. Seller shall execute and deliver to Closing Agent an affidavit that evidences that Seller is exempt from the withholding requirements of Section 1445 of the Internal Revenue Code, if applicable;

(d) Purchase Price. Buyer shall deliver to Closing Agent funds adequate to satisfy the Purchase Price, together with Buyer's share of the closing adjustments as set forth in Section 4.3;

(e) Affidavit of Property Value (Buyer). On the Closing Date, Buyer shall deliver to the Closing Agent an executed Affidavit of Property Value as required by Colorado law;

(f) Settlement Statement. Closing Agent shall deliver to Seller and Buyer settlement statements in form and content consistent with this Agreement; and

(g) Other Documents. Each party shall deliver to the other party or the Title Company or Closing Agent any documents, instruments, signatures, or agreements which may be reasonably necessary to consummate the transactions contemplated by this Agreement. The Seller shall execute and deliver all necessary documents assigning, transferring, and conveying good and marketable title to the Property, as it then exists, subject to Permitted Encumbrances (defined in the Lease); all liens, encumbrances and restrictions created or suffered to exist by the Seller as required or permitted by the Lease or arising as a result of any action take or omitted to be taken by the Seller as required or permitted by the Lease; any lien or encumbrance created by action of the Charter School or Buyer; and those liens and encumbrances (if any) to which title to the Property was subject when conveyed to the Seller.

#### IV.3 Closing Costs.

(a) Seller's Closing Costs. At or before the Closing, Seller shall pay one half of the fees and costs of the closing escrow.

(b) Buyer's Closing Costs. At or before the Closing, Buyer shall pay: (a) the cost of a standard-coverage owner's policy of title insurance in the amount of the Purchase Price and the cost of any ALTA extended-coverage owner's policy of title insurance in the amount of the Purchase Price required by Buyer or its lender; (b) one half of the fees and costs of the closing escrow; (c) the cost of any title policy endorsements requested by Buyer or its lender; (d) all fees and costs associated with the purchase financing of the Property, including, without limitation, the cost of the loan policy of title insurance; (e) the cost of the Updated Survey, and (f) the cost of recording the Deed and any documentary, stamp or other transfer taxes charges assessed the Property. Each party shall pay its own legal and accounting costs.

(c) Miscellaneous Closing Costs. Any other closing costs not addressed in this Section 4.3 or elsewhere in this Agreement shall be handled in accordance with the custom of the Douglas County, Colorado.

(d) Payment. All closing costs payable by Seller shall be deducted from the Purchase Price proceeds. Prior to Closing, Buyer shall deposit with Escrow Agent funds sufficient to pay for the closing costs which are Buyer's responsibility.

## **ARTICLE V DEFAULT; REMEDIES**

V.1 Buyer Default. If Buyer defaults in any material respect under this Agreement, Seller's sole remedy shall be to terminate this Agreement by giving written notice thereof to Buyer and Closing Agent and neither party shall have any further liability or obligation to the other.

V.2 Seller Default. If Seller defaults in any material respect hereunder, the Buyer may, as its sole and exclusive remedy, (a) terminate this Agreement, whereupon the Deposit shall be immediately returned to the Buyer and neither party shall have any further liability or obligation to the other, except for the indemnity provisions or any other provision of this Agreement that is expressly intended to survive the termination of this Agreement; or (b) assert and seek judgment against Seller for specific performance of Seller's obligations under this Agreement.

V.3 The Lease. Notwithstanding any termination of this Agreement, the Lease shall continue and remain in full force and effect.

## **ARTICLE VI RESERVED**

## **ARTICLE VII GENERAL PROVISIONS**

VII.1 Brokers. Each party represents to the other that it has not dealt with any broker or finder in connection with this transaction. The parties agree that if any person ("Claimant") asserts a claim to a finder's fee, brokerage commission, or other compensation on account of alleged employment as a finder, broker, or other consultant or agent in connection with the transaction embodied by this Agreement, it will indemnify and hold the other party harmless for, from and against any such claim and all costs, expenses, and liabilities incurred in connection with such claim or any action or proceeding brought on such claim, including, but not limited to, counsel and witness fees and court costs in defending against such claims. This indemnity obligation shall survive the Closing or any termination of this Agreement.

VII.2 Notices. All notices, demands, requests, consents, approvals, or other instruments required or permitted to be given pursuant hereto shall be in writing and shall be deemed to have been given and received upon: (i) receipt, if hand delivered; (ii) the next business day, if delivered by express delivery service or overnight courier service; (iii) the third (3rd) business day following the day of deposit of such notice in registered or certified United States mail, return receipt requested; or (iv) acknowledgment of receipt by the receiving party, sender's receipt of a receipt evidencing delivery from its email program, or the sender of an email notice otherwise does not receive any indication that such email did not get delivered properly to the applicable recipient, if sent using electronic mail.

VII.3 Further Assurances. Each of the parties hereto undertakes and agrees to execute and deliver such reasonable documents, writings and further assurances as may reasonably be required to carry out the intent and purpose of this Agreement, which obligation shall survive the Closing.

VII.4 Amendment: Waiver: Entire Agreement. No change or modification of this Agreement will be valid unless the same is in writing and signed by Buyer and Seller. No waiver of any of the provisions of this Agreement will be valid unless in writing and signed by the party against whom enforcement is sought. This Agreement contains the entire agreement between the parties relating to the purchase and sale of the Property. All prior negotiations between the parties with respect to the purchase and sale of the Property are merged in this Agreement, and there are no promises, agreements, conditions, undertakings, warranties, or representations, oral or written, express or implied, between the parties other than as herein set forth.

VII.5 Dates and Times. Time is of the essence of this Agreement. Unless expressly stated otherwise, all time periods shall be measured in calendar days. If any date set forth in this Agreement for the delivery of any document or notice or the happening of any event should, under the terms hereof, fall on a weekend or a federal holiday or a holiday recognized in the State of Colorado, then such date shall be automatically extended to the next succeeding business day. Deliveries or events occurring subsequent to 5:00 p.m. Mountain time on a business day in the location of occurrence shall be deemed to have occurred on the next business day (e.g., notices due on a certain date must be received by 5:00 p.m. Mountain time on such date).

VII.6 Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Colorado. Any and all recitals or disclosures required by such laws or necessary thereunder to effectuate the expressed intent of the parties herein are hereby deemed incorporated into this Agreement by this reference; provided that should any such incorporated provision conflict with the express printed provisions hereof, the latter shall in all respects be controlling.

VII.7 Headings. The section headings, which appear in some of the Sections of this Agreement, are for purposes of convenience and reference and are not in any sense to be construed as modifying the Sections in which they appear.

VII.8 Assignments. Neither party shall assign this Agreement, without the express written consent of the other party, which consent will not be unreasonably withheld, provided that the proposed assignee accepts the terms of this Agreement. Notwithstanding the foregoing, upon ten (10) days' prior written notice to Seller and Escrow Agent, the Buyer named hereunder may assign this Agreement to an entity controlled by the Buyer named hereunder, provided Buyer shall provide a copy of such assignment to Seller promptly after execution thereof.

VII.9 Successors and Assigns. This Agreement is binding upon and shall inure to the benefit of the parties and their respective heirs, personal representatives, successors, and assigns.

VII.10 Survivability. All covenants and agreements of the parties, including, but not limited to, all indemnity obligations, which, by the context of this Agreement, are to be performed after or are to survive the termination of this Agreement or the Closing, will, as the case may be, survive the Closing or the termination of this Agreement.

VII.11 Counterparts and Electronic Signatures. This Agreement may be executed in several counterparts, each of which will be deemed an original but all of which will constitute only

one agreement. Electronic, facsimile and portable-document-format (“pdf”) signatures shall be fully binding upon the parties and shall be deemed as if originals.

VII.12 Nonrecording. The parties hereto agree that neither this Agreement nor any notice or memorandum thereof will be recorded in any public records. Violation of this provision will constitute a default hereunder by the party violating this provision.

VII.13 Attorneys’ Fees. In the event of any action at law or in equity between Seller and Buyer to enforce any of the provisions and/or rights under this Agreement or on account of a breach of any term or provision hereof, the unsuccessful party to such litigation agrees to pay to the prevailing party all costs and expenses, including reasonable attorneys’ fees, incurred therein by such prevailing party, including any such costs and expenses incurred in any appeal, and if such prevailing party shall recover judgment in any action or proceeding, such costs, expenses and fees shall be included in and as a part of such judgment. As used herein the term “prevailing party” means the party to such litigation that receives, whether by settlement or judgment, substantially the relief prayed for in such litigation. This provision will survive the Closing or any termination of this Agreement. Any obligation of the Seller that may arise hereunder are subject to annual appropriation by the governing body of the Seller.

VII.14 Construction. The terms and provisions of this Agreement represent the results of negotiations between Seller and Buyer, each of which are financially sophisticated parties and each of which has been represented or been given the opportunity to be represented by counsel of its own choosing, and neither of which has acted under any duress or compulsion, whether legal, economic or otherwise. Consequently, the terms and provisions of this Agreement shall be interpreted and construed in accordance with their usual and customary meanings, and Seller and Buyer each hereby waive the application of any rule of law which would otherwise be applicable in connection with the interpretation and construction of this Agreement that ambiguous or conflicting terms or provisions contained in this Agreement shall be interpreted or construed by the party whose attorney prepared the executed Agreement or any earlier draft of the same. The parties agree that, regardless of which party provided the initial form of this Agreement, drafted or modified one or more provisions hereof, or compiled, printed or copied this Agreement, this Agreement shall be construed solely as an offer to purchase from Buyer, executed by Buyer and provided to Seller for acceptance on the terms set forth herein, which acceptance and the existence of a binding agreement between Buyer and Seller shall be evidenced by the execution hereof by Seller.

VII.15 No Personal Liability: Seller and Buyer agree that: (a) there will be absolutely no personal liability on the part of any shareholder, director, officer, employee or agent of Buyer or Seller or Charter School with respect to any of the terms, covenants and conditions of this Agreement;

VII.16 No Agency. None of the provisions herein shall be construed to establish an agency, partnership or joint venture relationship between Seller and Buyer for any purpose.

VII.17 Recitals Incorporated. The recitals set forth at the beginning of this Agreement are hereby incorporated into this Agreement as if fully set forth herein.



VII.18 Severability. To the fullest extent possible, each provision of this Agreement shall be interpreted in such fashion as to be effective and valid under applicable law. If any provision of this Agreement is declared void or unenforceable with respect to particular circumstances, such provision shall remain in full force and effect in all other circumstances. If any provision of this Agreement is declared entirely void or unenforceable, such provision shall be deemed severed from this Agreement and this Agreement shall otherwise remain in full force and effect.

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**IN WITNESS WHEREOF**, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

**SELLER:**

**DOUGLAS COUNTY SCHOOL DISTRICT  
RE-1**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**BUYER:**

**ASPEN VIEW ACADEMY BUILDING  
CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT A  
TO PURCHASE AND SALE AGREEMENT**

**LEGAL DESCRIPTION**

LOT 1, THE MEADOWS FILING NO. 18, 8<sup>TH</sup> AMENDMENT, COUNTY OF DOUGLAS,  
STATE OF COLORADO

(May be updated from Title Commitment)

## EXHIBIT B

### FORM OF SPECIAL WARRANTY DEED

#### SPECIAL WARRANTY DEED

DOUGLAS COUNTY SCHOOL DISTRICT NUMBER RE1 ("Grantor"), a Colorado school district duly organized and existing under and by virtue of the laws of the State of Colorado whose address is 620 Wilcox Street, Castle Rock, Colorado 80104, in consideration of the sum of \_\_\_\_\_ (\$ \_\_\_\_\_), the receipt and sufficiency of which is hereby acknowledged, hereby sells and conveys to ASPEN VIEW ACADEMY BUILDING CORPORATION, a Colorado non-profit corporation, having an office at \_\_\_\_\_ ("Grantee"), all the real property, together with any improvements thereon, located in the County of Douglas and State of Colorado, more particularly described as follows:

**LOT 1, THE MEADOWS FILING NO. 18, 8TH AMENDMENT, COUNTY OF DOUGLAS, STATE OF COLORADO.**

(the "Property") TOGETHER WITH all and singular the hereditaments and appurtenances thereto belonging, including, without limitation, all interest of Grantor in vacated streets, roads, or alleys adjacent to the Property, all easements and other appurtenances thereto, if any, and all improvements and attached fixtures on the Property, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, if any, and all the estate, right, title, interest, claim and demand whatsoever of the Grantor, either in law or equity, of, in and to the above bargained premises, with the hereditaments and appurtenances.

TO HAVE AND TO HOLD the said premises above bargained and described with the appurtenances, unto the Grantee, and its successors and assigns forever. Grantor warrants the title to the same against all persons claiming by, through, or under Grantor, subject to the matters set forth on Exhibit A attached hereto and incorporated herein by this reference. The Grantor, for itself and its successors and assigns does covenant and agree that the Grantor shall and will WARRANT AND FOREVER DEFEND the above bargained premises in the quiet and peaceable possession of the Grantee, and its successors and assigns, against all and every person or persons claiming the whole or any part thereof, by, through or under the Grantor and not otherwise, except for those restrictions, covenants, easements and other encumbrances set forth on Exhibit A.

This conveyance is made by Grantor and accepted by Grantee subject to the following restriction, which shall be binding upon Grantee and its successors and assigns and shall run with and burden the Property and its appurtenant rights and interests:

1. Grantee shall use the Property for the operation of a public charter school of Grantor ("Intended Use");

2. If Grantee (i) uses the Property for any purpose other than its Intended Use, or (ii) ceases to use the Property for its intended use for a period of six months or longer, then Grantor, for itself and its successors and assigns, shall have the following rights:

A. Upon the occurrence of the event described in clause (i) above or the occurrence of the event described in clause (ii) above, Grantor shall have the right to reacquire and purchase the Property for a price equal to the fair market value of the building and other improvements located on the Property (collectively, the "Building"), which price (y) shall exclude the fair market value of the land and (z) shall be determined by an independent appraisal made within six months before the closing of Grantor's reacquisition of the Property (such purchase price being the "Building Value"). If Grantor declines to exercise its rights under this Section 2.A within 180 days after Grantor's receipt of notice from Grantee of the occurrence of either event described in clause (i) or clause (ii) above, then Grantor's right to reacquire the Property under any circumstance described in the Section 2 shall be terminated.

B. In the event of sale of the Property by the Grantee or foreclosure of the legal interest of the Grantee in the Property, Grantor shall have the first right of refusal to reacquire and purchase the Property for a price equal to the difference between (A) the purchase price for the Property offered by the third party buyer (such price to be converted to a U.S. Dollars equivalent, if the consideration offered by the third party is other than U.S. Dollars) and (B) the Building Value. If Grantor declines to exercise its first right of refusal under this Section 2.B within 180 days after Grantor's receipt of notice from Grantee of the third party offer, and if Grantee subsequently fails or declines to close the transfer of the property to the third party pursuant to its offer as communicated to Grantor, then Grantor's first right of offer shall remain in force and effect.

Signed this \_\_\_\_ day of \_\_\_\_\_.

GRANTOR:

DOUGLAS COUNTY SCHOOL  
DISTRICT NUMBER RE1

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



## **Annex A**

### **To APPENDIX B TO SPECIAL WARRANTY DEED**

#### **EXCEPTIONS TO TITLE**

1. Any facts, rights, interests, or claims thereof, not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
2. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.
5. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires of record for value the estate or interest or mortgage thereon covered by this Commitment.
6. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
7. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
8. EXISTING LEASES AND TENANCIES, IF ANY.
9. (ITEM INTENTIONALLY DELETED)
10. RIGHT OF WAY FOR DITCHES OR CANALS CONSTRUCTED BY THE AUTHORITY OF THE UNITED STATES AS RESERVED IN UNITED STATES PATENT OF RECORD.
11. RIGHT OF PROPRIETOR OF A VEIN OR LODGE TO EXTRACT AND REMOVE HIS ORE THEREFROM SHOULD THE SAME BE FOUND TO PENETRATE OR INTERSECT THE PREMISES AS RESERVED IN UNITED STATES PATENT OF RECORD.
12. (ITEM INTENTIONALLY DELETED)
13. ANNEXATION AND DEVELOPMENT CONTRACT BETWEEN THE TOWN OF CASTLE ROCK AND LINCOLN MEADOWS LIMITED PARTNERSHIP RECORDED DECEMBER 12, 1984 IN BOOK 553, AT PAGE 593 AND RECORDED OCTOBER 9, 1985 IN BOOK 600 AT PAGE 344. 1<sup>ST</sup> ADDENDUM TO ANNEXATION AND DEVELOPMENT CONTRACT RECORDED FEBRUARY 5, 1986 IN BOOK 622, AT PAGE 605. 2ND ADDENDUM TO ANNEXATION AND DEVELOPMENT CONTRACT RECORDED JANUARY 30, 1987 IN BOOK 698, AT PAGE 219. OMNIBUS AMENDMENT TO ANNEXATION CONTRACTS RECORDED SEPTEMBER 30, 1993 IN BOOK 1151 AT PAGE 1132.
14. THE MEADOWS AMENDED PRELIMINARY PUD PLAN RECORDED FEBRUARY 5, 1986 AT RECEPTION NO. 374599, TOGETHER WITH 2ND AMENDMENT RECORDED APRIL 20, 1987 AT RECEPTION NO. 8711345 AND 3RD AMENDMENT RECORDED APRIL 20, 1987 AT RECEPTION NO. 8711346 AND 4TH AMENDMENT RECORDED JULY 10, 2003 AT RECEPTION NO. 003102969.
15. TERMS, CONDITIONS AND PROVISIONS OF ORDINANCE NO. 2003-18 APPROVING MEADOWS PRELIMINARY PD SITE PLAN (FOURTH AMENDMENT) RECORDED JULY 10, 2003 AT RECEPTION NO. 2003102968.
16. TERMS, CONDITIONS AND PROVISIONS OF THE MEADOWS FOURTH AMENDMENT DEVELOPMENT AGREEMENT RECORDED JULY 10, 2003 AT RECEPTION NO. 2003102970.
17. TERMS, CONDITIONS AND PROVISIONS OF WATER SERVICE NO. 1) RECORDED SEPTEMBER 30, 1993 IN BOOK 1151 AT PAGE 1173.

18. LARGE PLANNED COMMUNITY EXEMPTION AFFIDAVIT UNDER THE COLORADO COMMON INTEREST OWNERSHIP ACT FOR THE MEADOWS RECORDED JANUARY 5 2000 IN BOOK 1796 AT PAGE 1858.
19. TERMS, CONDITIONS AND PROVISIONS OF PLANT EXPANSION CONTRACT BY AND BETWEEN THE TOWN OF CASTLE ROCK AND THE MEADOWS METROPOLITAN DISTRICTS #1 THROUGH #8 RECORDED APRIL 02, 1987 IN BOOK 710 AT PAGE 627.
20. TERMS, CONDITIONS AND PROVISIONS OF THAT CERTAIN ANNEXATION AND DEVELOPMENT CONTRACT BETWEEN THE TOWN OF CASTLE ROCK, LINCOLN SAVINGS AND LOAN ASSOCIATION AND MEADOWS METROPOLITAN DISTRICT NO. 1 RECORDED JANUARY 30, 1987 IN BOOK 698 AT PAGE 299.
21. INTERIM WATER FACILITIES SECURITY AGREEMENT RECORDED SEPTEMBER 2, 1994 IN BOOK 1216 AT PAGE 1742.
22. NOTES, EASEMENTS COVENANTS AND CONDITIONS AS ARE SPECIFIED ON THE MEADOWS FILING NO. 18 PRELIMINARY PLAT AND FINAL P.D. SITE PLAN RECORDED SEPTEMBER 29, 2004 AT RECEPTION 200401163.
23. ANY TAX, LIEN, FEE, OR ASSESSMENT BY REASON OF INCLUSION OF SUBJECT PROPERTY IN THE MEADOWS METROPOLITAN DISTRICTS, AS EVIDENCED BY INSTRUMENT RECORDED JULY 11, 1985, IN BOOK 584 AT PAGE 91-190.

NOTE: ORDERS FOR CONFIRMATION OF SERVICE PLAN AMENDMENT RECORDED SEPTEMBER 30 1993 IN BOOK 1151 AT PAGE 1195.

NOTE: ORDERS PERTAINING TO THE BOUNDARIES OF THE MEADOWS METROPOLITAN DISTRICTS RECORDED SEPTEMBER 28 1987 IN BOOK 749 AT PAGES 265- 351.

NOTE: ORDERS PERTAINING TO THE BOUNDARIES OF THE MEADOWS METROPOLITAN DISTRICTS RECORDED OCTOBER 30 1987 IN BOOK 756 AT PAGE 741 AND 744.

NOTE: AMENDATORY ORDERS CORRECTING THE BOUNDARIES OF THE MEADOWS METROPOLITAN DISTRICTS RECORDED AUGUST 30 1988 IN BOOK 810 AT PAGE 730 AND IN INSTRUMENT RECORDED OCTOBER 6 1988 IN BOOK 818 AT PAGE 559, 561 AND 563.

NOTE: ORDER OF INCLUSION RECORDED NOVEMBER 10 1999 IN BOOK 1779 AT PAGES 509-524.

24. EASEMENT FOR AN UNDERGROUND SEWER LINE AS GRANTED TO THE MEADOWS METROPOLITAN DISTRICT NO. 4 BY INSTRUMENT RECORDED SEPTEMBER 19, 1989 IN BOOK 873 AT PAGE 418.
25. EASEMENT AGREEMENTS BY AND BETWEEN REYNALDO D. GRAULTY THE INSURANCE COMMISSIONER OF THE STATE OF HAWAII IN HIS CAPACITY AS LIQUIDATOR OF INVESTORS EQUITY LIFE INSURANCE COMPANY OF HAWAII, LTD. AND TOWN OF CASTLE ROCK RECORDED MAY 20, 1997 UNDER RECEPTION NO. 9726789.
26. EASEMENT FOR WATER-LINE, WELL FACILITIES AND ACCESS EASEMENTS AS GRANTED IN INSTRUMENT RECORDED FEBRUARY 6 2001 IN BOOK 1961 AT PAGE 1825 TERMS, CONDITIONS AND PROVISIONS OF ACCESS EASEMENT RECORDED FEBRUARY 9, 1988 IN BOOK 775 AT PAGE 618.
27. EASEMENTS, CONDITIONS, COVENANTS, RESTRICTIONS, RESERVATIONS AND NOTES ON THE PLAT OF THE MEADOWS FILING NO. 18 FINAL PLAT RECORDED JUNE 20, 2005 UNDER RECEPTION NO. 2005055505.
28. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN THE MEADOWS FILING NO. 18 SUBDIVISION IMPROVEMENTS AGREEMENT RECORDED JUNE 20, 2005 UNDER RECEPTION NO. 2005055506.
29. LETTER OF AGREEMENT - WATER SUPPLY REQUIREMENT ADJUSTMENT RECORDED JUNE 10, 2008 UNDER RECEPTION NO. 2008041339.



30. EASEMENT GRANTED TO INTERMOUNTAIN RURAL ELECTRIC ASSOCIATION, FOR UTILITIES, AND INCIDENTAL PURPOSES, BY INSTRUMENT RECORDED MARCH 22, 2006, UNDER RECEPTION NO. 2006023548.
31. EASEMENTS, CONDITIONS, COVENANTS, RESTRICTIONS, RESERVATIONS AND NOTES ON THE PLAT OF THE MEADOWS FILING NO. 18, 8TH AMENDMENT RECORDED AUGUST 27, 2012 UNDER RECEPTION NO. 2012063405.

PENDING SUCH TIME AS THE IMPROVEMENTS CONTEMPLATED UPON INSURED PREMISES SHALL BE COMMENCED, LIABILITY UNDER THIS POLICY IS LIMITED TO THE PURCHASE PRICE FOR THE LAND; BUT AS AND WHEN THE ERECTION OF SUCH IMPROVEMENTS SHALL BE COMMENCED, LIABILITY HEREUNDER SHALL INCREASE, AS THE IMPROVEMENTS PROGRESS, IN THE AMOUNT OF THE COST THEREOF, UP TO THE FACE AMOUNT OF THIS POLICY.