

REAL ESTATE PURCHASE AGREEMENT

(Pinery Parcel)

THIS REAL ESTATE PURCHASE AGREEMENT ("Agreement") is made by and between, **Douglas County School District**, a public school district and political subdivision of the State of Colorado, hereafter referred to as "Seller," and **UDC Miller, LLC** a Colorado limited liability company, hereafter referred to as "Buyer." Hereinafter, Seller and Buyer may also be referred to, individually, as a "Party" and, collectively, as the "Parties."

WITNESSETH:

FOR AND IN CONSIDERATION of the mutual covenants contained herein and for other joint and valuable consideration, the parties hereto, intending to be legally bound, agree as follows:

1. **PROPERTY**. Seller hereby agrees to sell to Buyer and Buyer agrees to buy from Seller, all of Seller's right, title and interests in and to a parcel of real property known as Tract 1, the Pinery Filing No. 6 consisting of approximately 12.35 acres, Douglas County (the "County"), State of Colorado (the "Land or Real Property") and as more particularly described on **Exhibit A** attached hereto and incorporated herein by reference, with the actual acreage to be determined by the Survey (as defined below). Said Real Property together with any and all water, water taps, and water rights, minerals and mineral rights, all fixtures, structures and improvements thereon, also together with all rights, easements, associated improvements of any kind and all rights, title and interests of Seller in and to vacated streets and alleys adjacent thereto and all other appurtenances, if any, now owned or which may be hereafter acquired by Seller with respect to same is hereafter referred to, collectively, as the "Property."

2. **EFFECTIVE DATE**. The "Effective Date" means the latter of the dates that this Agreement is signed by Buyer or Seller.

3. **PURCHASE PRICE**. The purchase price ("Purchase Price") for the Property shall be Two Million Six Hundred Thousand and 00/100ths Dollars (\$2,600,000.00). The Purchase Price for the Property shall be paid, subject to application of the Earnest Money, credits, prorations and adjustments provided herein, to the Title Company at Closing all in cash, by certified check, bank check or federal funds wire transfer.

4. **EARNEST MONEY**. Within five business (5) days after the Effective Date, Buyer shall pay the sum of One Hundred Thousand Dollars (\$100,000.00) to Land Title Guarantee Company ("Title Company") as escrow holder, for deposit into an interest-bearing account (the "Initial Deposit" or the "Initial Earnest Money"). Title Company's receipt of said amount shall be acknowledged by its execution of this Agreement or a separate escrow agreement. Any interest earned on the Deposit shall become part of the Deposit hereunder. If Buyer delivers its Continuation Notice (as defined in Section 7), the Initial Earnest Money shall be nonrefundable to Buyer except in the event of Seller's uncured default. Within three (3) business days following the date that Buyer obtains Preliminary Plan Approval (defined in Section 8 below), Buyer shall deposit an additional One Hundred Thousand Dollars (\$100,000.00) (the "Additional Deposit" or "Additional Earnest Money") and together with the

Initial Deposit, the “**Deposit**” or “**Earnest Money**”). The Additional Deposit shall be non-refundable when made, except for an uncured Seller default and shall be applicable to the Purchase Price at Closing.

5. TITLE AND SURVEY.

(a) At Closing, Seller shall convey to Buyer title to the Property subject to all of the terms and conditions as more specifically set forth herein and further subject to the “**Permitted Exceptions**” as defined below.

(b) Seller has, prior to the Effective Date hereof, caused the Title Company to deliver to Buyer a commitment for an extended coverage ALTA owner's policy of title insurance in the amount of the Purchase Price (the “**Title Commitment**”) committing to insure title to the Property in Buyer subject only to the Permitted Exceptions. Seller shall pay the premium for the standard ALTA owner’s policy of title insurance, however any cost for owner’s extended coverage and/or to cause the Title Company to modify its standard printed exception with respect to taxes and assessments for the Property to except only taxes and assessments for the year of Closing and subsequent years, a lien not yet due and payable, and to delete standard printed exceptions numbers 1 through 5 from the title policy to be delivered pursuant to the Title Commitment for the Property shall be borne by the Buyer. Seller agrees to execute any affidavits regarding liens or parties in possession or as may otherwise be reasonable requested by the Title Company to issue such extended coverage. In addition, any other endorsements desired by Buyer shall be at Buyer’s expense, except as otherwise provided herein. As soon as possible after Closing, Seller shall cause to be delivered to Buyer, at Seller's cost and expense, an owner's title insurance policy (except that the premium for extended coverage or any endorsement to such policy requested by Buyer shall be paid by Buyer) insuring the title of Buyer to the Property in accordance with the Title Commitment, and the provisions of this Agreement, and subject only to the Permitted Exceptions, in an amount equal to the Purchase Price paid at Closing. The following items shall constitute “**Permitted Exceptions**”: (i) General taxes and assessments for the year of Closing and subsequent years, a lien not yet due and payable; (ii) any government approvals sought or approved in writing by Buyer; (iii) any easements required in connection with the governmental approvals obtained by Buyer; (iv) building, planning and zoning rules and ordinances; (v) any title exceptions or encumbrances which are created by, through or under Buyer; (vi) any title exceptions or encumbrances which are otherwise created, approved or waived by Buyer; and (vii) all matters disclosed in the Title Commitment or Survey and not objected to or otherwise accepted or deemed accepted by Buyer. Notwithstanding the foregoing terms of this Section 5(b), the following items shall be excluded from the definition of “Permitted Exceptions”: (1) any delinquent taxes or assessments, (2) mechanics liens, mortgages, or deeds of trust, (3) the standard printed exception relating to mechanics liens, (4) any other standard printed exceptions which Title Company has agreed to delete or will delete pursuant to an issued endorsement, and (5) any exceptions to title disclosed in the original Title Commitment which are deleted or removed in any update of the Title Commitment.

(i) Buyer may object, in a writing delivered to Seller and Title Company, to any matters shown on the Title Commitment or the Survey (as defined below) on or before the date that is twenty (20) days prior to the expiration of the Inspection Period. Title exceptions relating to satisfaction of Schedule B-1 requirements, or requiring that Seller release

or obtain releases of liens or encumbrances of a definite or ascertainable amount that may be removed by payment of money at Closing shall not be deemed to make title unacceptable provided Seller shall satisfy such liens or encumbrances at Closing. If Seller is willing to cause the cure or removal of any of the matters to which Buyer objects, then Seller will so notify Buyer in writing within ten (10) days of Seller's receipt of Buyer's notice. If Seller does not respond, or chooses not to cure or remedy Buyer's objections, or if Seller is unable to remove any such matters, then unless Buyer delivers written notice to Seller within five (5) days after Buyer's receipt of Seller's notice (or the date by which Seller's notice was due) waiving such objections, then this Agreement shall automatically terminate, whereupon the Initial Deposit shall be returned to Buyer and each Party shall be relieved of any further liability or obligation hereunder.

(ii) If Seller elects to cure or remove any title or survey matters objected to by Buyer, and Seller cannot thereafter cure or remove the same by Closing despite the use of commercially reasonable and good faith efforts, then Seller shall be deemed in default hereunder entitling Buyer to the remedies set forth in Section 16(b) below.

(iii) If Buyer fails to give notice that it accepts the matters shown on the Title Commitment and Survey within the timeframes established herein, then it shall be deemed that the foregoing is unsatisfactory to Buyer, this Agreement shall automatically terminate, the Deposit shall be returned to Buyer and each Party shall be relieved of any further liability or obligations hereunder. If Buyer delivers notice of acceptance of any matters shown on the Title Commitment and Survey within the timeframes established herein, upon such notice of acceptance such matters shall be considered Permitted Exceptions, and no further objection to the state of title or survey matters as reflected in the Survey and Title Commitment may thereafter be raised, provided always that the state or condition of such title or survey matters does not suffer any material adverse change between the date of the Title Commitment and Survey and the Closing Date. To that end, Seller shall promptly notify Buyer of any new or other matters affecting title to the Property that are not shown in the Title Commitment or Survey. Buyer shall have the same right to object to any new matters which would survive Closing (other than Permitted Exceptions) appearing in an updated or revised Title Commitment and that did not appear in an earlier version (collectively, the "**New Encumbrances**"); provided that the presence of any New Encumbrances granted by Seller that Seller fails or is unable to cure prior to the Closing shall be a Seller default hereunder, which shall entitle Buyer to exercise its remedies under Section 16 hereof.

(c) Seller shall not, after the Effective Date, encumber the Property with any title exceptions which would survive Closing without Buyer's prior written consent, in its reasonable discretion.

(d) Seller has, prior to the Effective Date, provided Buyer with any existing ALTA survey of the Property in its possession and control (the "**Survey**"). Buyer shall have the right, at its sole expense, to obtain an update to the Survey.

6. DELIVERY OF INFORMATION. Seller shall deliver to Buyer copies of all of the following items, to the extent they are in the possession or control of Seller and have not already been provided to Buyer, within five (5) business days of the Effective Date: (i) the existing title insurance policy, including all endorsements thereto; (ii) a copy the existing ALTA

Survey; (iii) a copy of any existing Phase 1 Environmental Report certified to Buyer; (iv) a copy of any existing geotechnical, soils or undermining reports certified to Buyer; (v) copies of any entitlement or development documents, including, but not limited to, any annexation documents, zoning documents, general development plans, preliminary plats or final plats; (vi) all evidence and information pertaining to water shares, mineral rights and easements associated with the Property; (vii) all correspondence and agreements with the County, the Town of Parker, South Metro Fire Rescue Protection District, the Pinery Water & Sanitation District, and any other applicable districts or service providers; (viii) all development plans and documents including, but not limited to, engineering, architectural, feasibility and marketing reports; (ix) all documents related to any applicable metropolitan districts, homeowner's association, and any other applicable districts in which the Property is located; and (x) any and all other documents or information requested by Buyer that are in the Seller's or Seller's consultants' possession or control related to the Property (collectively, the "**Seller Documents**"). All such materials are provided by Seller as a courtesy and convenience to Buyer and Seller does not warrant the accuracy or completeness of same, provided, however, Seller agrees to inform Buyer of any known inaccuracies contained in such documents. Buyer agrees to investigate and confirm such matters as it deems appropriate prior to the end of the Inspection Period (defined below).

7. **INSPECTION.**

(a) The Buyer shall have a period of ninety (90) days from the later of (i) the Effective Date; or (ii) the date that Seller delivers the Seller Documents as set forth in Section 6 above (the "**Inspection Period**") in which to verify and ascertain the suitability of the Property for Buyer's purposes and to evaluate land use entitlements for the Property. If Buyer fails to deliver written notice to Seller on or before the expiration of the Inspection Period (as the same may be extended) of its election to continue this Agreement (the "**Continuation Notice**"), then this Agreement shall automatically terminate, whereupon the Deposit shall be refunded to Buyer and each Party shall be relieved of any further liability or obligation hereunder.

(b) From and after the Effective Date, through the date of Closing or earlier termination hereof, Buyer, its contractors, agents, subcontractors, employees, or potential purchasers from Buyer, shall have the right to perform such examinations, inspections or tests as Buyer deems necessary. Buyer shall provide Seller notice of its, or its agents', intent to enter upon the Property at least 48 hours in advance of such entry. Prior to Buyer entering on to the Property, Buyer shall secure and maintain a commercial general liability and property damage policy in an amount of not less than One Million Dollars (\$1,000,000) combined single limit which will cover the activities of Buyer and its consultants on the Property and shall name Seller an additional insured thereunder. At Seller's request, Buyer shall provide a certificate of insurance to Seller evidencing the insurance required herein. Buyer shall comply with all federal, state and local laws which might in any way relate to such examinations, inspections or tests. Buyer, in the conduct of its inspections, shall not (i) materially interfere with Seller's operation and maintenance of the Property, (ii) damage any part of the Property, (iii) injure any person, or (iv) permit any mechanics' or other liens to attach to the Property or any part thereof. Buyer shall promptly restore the Property after any such entry. Anything to the contrary herein notwithstanding, Buyer shall undertake no development, construction, movement or other activities on the Property until Buyer has acquired same. All costs in connection with Buyer's inspections and restoration of the Property shall be borne by Buyer. Buyer agrees to indemnify,

hold harmless and defend Seller and the Property from any liability or damages and Seller from any claim, liability, loss, damage, cost or expense, including attorneys' fees which Seller may incur or which may be asserted by reason of any entry on the Property or work performed by, through or under Buyer or the preparation of any plans by or on behalf of Buyer, or the making of investigations and tests ordered or conducted by Buyer excluding, however, anything arising from Seller's actions or inactions, pre-existing Hazardous Materials or latent defects. Buyer agrees not to permit or suffer and, to the extent so permitted or suffered, to cause to be immediately removed and released (including, but not limited to, by delivering a bond pursuant to the provisions of C.R.S. §38-22-131), any mechanic's, materialman's or other lien against the Property arising by, through or under Buyer. Seller shall notify Buyer in writing of any liens against the Property arising by, through or under Buyer and Buyer shall have thirty (30) days to cause the same to be removed. If Buyer fails to commence and diligently pursue the removal of such liens within said thirty (30) day period, Seller may, at its option and at Buyer's reasonable expense, with the assistance of attorneys of Seller's choosing, enter into, defend, prosecute or pursue any effort or action (whether or not litigation is involved) which Seller deems reasonably necessary to defend itself and the Property from and against all claims or liability arising by, through or under Buyer, as set forth herein. The provisions of this Section shall survive the Closing and any termination of this Agreement, and shall continue in force and effect regardless of the number of indemnified matters that may arise. Seller's rights and remedies under this Section 7(b) are in addition to any remedies available to Seller under Section 16(a).

(c) Buyer agrees it will conduct its own due diligence investigation of the Property in order to determine the adequacy of same for its intended purposes, including, without limitation, investigations into soils, environmental, and governmental conditions, to the extent Buyer deems necessary in Buyer's sole judgment, and that Buyer is not relying on any representation or warranty of Seller other than as explicitly set forth in this Agreement or in the deed or any other document pursuant to which Seller conveys its interests in the Property to Buyer.

8. PLATTING OF PROPERTY.

(a) Buyer shall utilize commercially reasonable efforts to obtain, at its sole cost and expense, non-appealable governmental approvals, permits and licenses for its intended use and development of the Property, which shall include: (i) re-zoning of the Property to allow Buyer to use the Property for its intended use, and the recording of the re-zoning documents on or prior to Closing (the "**Zoning**"); (ii) approval by the applicable Governmental Authorities of a final, recordable, non-appealable subdivision plat of the Property (the "**Final Plat**"); (iii) the final land development construction drawings related to the Final Plat, including without limitation, storm drainage and environmental plans, final landscape and irrigation plans and plans for any related offsite improvements (said construction drawings, as approved by Douglas County, the State of Colorado or any other governmental or quasi-governmental entities having authority over such matters (the "**Governmental Authorities**"), may be collectively referred to herein as the "**Lot Finish Plans**"); (iv) any preliminary plan ("**Preliminary Plan**"), site development plan ("**Site Plan**") and subdivision improvements agreement or development agreement ("**SIA**") necessary in connection with the Final Plat and Lot Finish Improvements (collectively, Zoning, Final Plat, Lot Finish Plans, Preliminary Plan, Site Plan and SIA are referred to herein as the "**Entitlements**") and the documents created in connection therewith are

the “**Entitlement Documents**”). The non-appealable approval of the Preliminary Plan shall be referred to as the “**Preliminary Plan Approval**.” The non-appealable approval of the Final Plat shall be referred to as the “**Final Plat Approval**.”

(b) Seller, and/or Seller’s appointee, shall reasonably cooperate with Buyer in obtaining the Entitlements, including, without limitation, execution of any necessary applications and attending public meetings; provided, however, Seller shall have no obligation to incur any cost or liability in connection therewith.

(c) If the Entitlement Documents have been approved by the Governmental Authorities, and Buyer does not thereafter consummate the Closing for any reason whatsoever, Seller shall not assert any claims against Buyer and Seller expressly releases Buyer from any claims and waives the right to seek damages from Buyer with respect to the Entitlements and their effect on the Property.

(d) If Buyer is unable to secure the Entitlements to its reasonable satisfaction, including, without limitation, the Final Plat, Buyer may: (a) waive such condition and proceed to Closing; or (b) terminate this Agreement by providing written notice to Seller. If Buyer elects to terminate this Agreement as provided herein, and such termination occurs after providing its Continuation Notice to Seller, then each Party shall be relieved of any further liability or obligation hereunder and the Earnest Money shall be paid to Seller.

9. CLOSING.

(a) Provided all conditions to closing have been satisfied, the “**Closing**” shall be held on the date that is thirty (30) days following the date Buyer obtains Final Plat Approval. The Closing shall be held in the offices of the Title Company or at such other place as Buyer and Seller shall agree in writing.

(b) Seller shall pay the cost of (i) all costs of a standard title insurance policy (except endorsements desired by Buyer, which shall be at Buyer's expense, unless the subject endorsement(s) is(are) required to cure a title defect Seller has agreed to cure, which shall be at Seller's expense) and title examination, (ii) all curative title work or expenses to cure or discharge title exceptions that Seller has expressly agreed to cure, (iii) all transfer taxes, if any; (iv) one-half of the Title Company fee to act as escrow agent; (v) all fees and expenses of Seller's attorneys, and (vi) all other costs incurred by Seller. Otherwise, each party shall pay costs which are incurred by them or imposed on them by law.

(c) Buyer shall pay for (i) the cost of extended coverage; (ii) the recording costs and documentary stamp fee for the special warranty deed and any other documents to be recorded at Closing, (iii) all fees and expenses of Buyer's attorneys, (iv) all fees and expenses for any surveys, inspections, or analyses of the Property undertaken by Buyer, (v) all title insurance endorsements, if any, desired by Buyer, (vi) one-half of the Title Company fee to act as escrow agent; and (vii) all other costs incurred by Buyer. Otherwise, each party shall pay costs which are incurred by them or imposed on them by law.

(d) All ad valorem property taxes and assessments affecting the Property for the calendar year of Closing shall be prorated between Buyer and Seller, as of the subject

Closing Date, which proration shall be final and not subject to adjustment. Proration of property taxes and assessments shall be based on the most recent mill levy and most recent assessed valuation of the Property. For purposes of calculating prorations, Buyer shall be deemed to be in title to the Property and therefore responsible for the expenses for the entire day upon which the Closing occurs. The parties acknowledge that Seller is exempt from the payment of real property taxes and therefore, there will not be any ad valorem property taxes or assessments to be prorated as of the Closing. Buyer shall be responsible for all real and personal property taxes and assessments on the Property commencing on the day of Closing.

(e) Possession of the Property shall be delivered to Buyer at Closing.

10. DOCUMENTS TO BE DELIVERED AT CLOSING.

(a) In addition to any other documents which may be required by the terms hereof at Closing, Seller shall deliver to Buyer the following, which documents shall be prepared by Seller's attorney or the Title Company, as applicable, and subject to review and approval by Buyer's attorney:

(i) Special Warranty Deed conveying fee simple title to the Property subject to the Permitted Exceptions.

(ii) A Restrictive Covenant and Deed Restriction in the form attached hereto as **Exhibit B**;

(iii) A Seller's Affidavit as required by Title Company to provide to Buyer an owners title insurance policy free of standard exceptions for liens and survey matters and subject only to the Permitted Exceptions.

(iv) A sale closing statement.

(v) Documents necessary to discharge any liens or other objectionable encumbrances on the Property which Seller has expressly agreed to discharge.

(vi) Seller shall provide such evidence of good standing and authority for the sale of the Property as shall be required by Title Company.

(vii) Seller shall deliver to Buyer, copies of all licenses, permits, plats, plans, authorizations and approvals relating to the Property and issued by Town, County or other applicable governmental authority, all soils, environmental, engineering and other physical conditions reports relating to the Property in Seller's possession, and all engineering land development construction plans for the Property, without warranty or representation of any kind or nature, together with a non-exclusive assignment of Seller's right, title and interest therein, if any, and to the extent assignable, in form and substance reasonably acceptable to Buyer.

(viii) All other documentation as may be reasonably required by Buyer or Title Company to carry out the terms, covenants conditions, and intent of this Agreement.

(b) Buyer shall deliver to Title Company and/or Seller: i) a sale closing statement; (ii) a real property transfer declaration; (iii) a Buyer's Affidavit as required by Title Company; (iv) evidence of good standing and authority for the purchase of the Property as shall be required by Title Company; and (v) other documentation as may be reasonably required by Seller or Title Company to carry out the terms, covenants, conditions, and intent of this Agreement.

11. AS-IS. Buyer agrees and acknowledges that, except for Seller's obligations, representations, warranties and covenants expressly set forth in this Agreement (including Section 14), the conveyance deed and any other document(s) executed and delivered by Seller at the Closing, Buyer is acquiring the Property in its "as is", "where-is" physical condition, and "with all faults", and will be relying upon the results of its own investigation concerning the physical condition of the Property. Except as provided expressly in this Agreement, the conveyance deed and any other document(s) executed and delivered by Seller at the Closing, Seller has not made and does not make any representations or warranties, express or implied, to Buyer or to any other person or entity about the physical condition of the Property or its physical suitability for any use or purpose, including but not limited to current or past compliance with environmental and hazardous waste laws. Except for the Seller's express warranties contained in this Agreement, the conveyance deed and any other document(s) executed and delivered by Seller at Closing, Buyer, or anyone claiming by, through or under Buyer, hereby fully releases Seller, its members, managers, employees, officers, directors, representatives and agents from any and all claims and causes of action that it or they may now have or hereafter acquire against Seller, its members, managers, employees, officers, directors, representatives and agents for any cost, loss, liability, damage, expense, demand, action or cause of action arising from or related to any defects, errors, omissions or other conditions affecting the Property. Buyer further acknowledges and agrees that the foregoing release shall be given full force and effect according to each of its express terms and provisions, including, but not limited to, those relating to unknown and suspected claims, damages and causes of action.

12. CONDEMNATION. Seller shall immediately notify Buyer in writing if prior to the Closing any portion of the Property is subject to a threat of condemnation by a body having the power of eminent domain or condemnation, or is taken by eminent domain or condemnation, or is sold in lieu thereof. In that event, unless Buyer delivers written notice that it elects to proceed with this transaction no later than fifteen (15) days after Buyer received written notice of the threatened condemnation, then this Agreement shall terminate and the Title Company shall forthwith return to Buyer the Deposit, and each Party shall be relieved of any further liability or obligation hereunder. If Buyer delivers written notice of its intent to continue this Agreement within fifteen (15) days after Buyer received written notice of the threatened condemnation, then this Agreement shall remain in full force and effect, and the purchase contemplated herein, less any portion of the Property taken by eminent domain or condemnation or sold in lieu thereof, shall be effected, provided, however, the Purchase Price shall be reduced on a pro rata basis for any amount of Property taken in such condemnation and Buyer shall assign to Seller, any of Buyer's right, title and interest in and to any awards or proceeds payable in connection with such taking or sale. Upon notice of condemnation, Buyer shall be permitted to reasonably participate in and control the proceedings as if Buyer were a party to the action.

13. ASSIGNMENT. Buyer may assign this Agreement to an affiliated entity which controls, is controlled by or under common control with Buyer, without prior consent of Seller, but only after providing written notice to Seller of such permitted assignment. Further, for tax-planning purposes, Buyer may also assign all or a part of this Agreement to a homebuilder that will be an end-user of the Property without Seller's prior written consent. Any other assignment by Buyer shall be made only with Seller's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Seller shall not assign this Agreement without Buyer's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

14. RISK OF LOSS AND INSURANCE. Between the Effective Date and until the transaction is consummated, the risks of ownership and loss of the Property shall belong to Seller. If prior to the Closing Date, all or a material part of the Property to be acquired is materially damaged by fire or by any other cause of whatsoever nature (except for any damage caused by Buyer or Buyer's agents), Seller shall promptly give Buyer written notice of such damage. After notice of such damage (from Seller or otherwise), Buyer shall have the sole option to either (i) require Seller to convey the Property, on the Closing Date, to Buyer in its damaged condition and to assign to Buyer all of Seller's right, title and interest in and to any claims Seller may have under the insurance policies covering the Property, with a credit against the Purchase Price for the amount of any deductible; or (ii) terminate this Agreement and receive in return the Deposit. Failure to deliver a notice of termination at or prior to the next Closing Date shall constitute an election under subsection (ii) above. Notwithstanding anything to the contrary contained herein, if any such damage is caused by Buyer or Buyer's agents then the provisions of Section 13 shall not apply and the Agreement shall continue in full force and effect, with Buyer being responsible for the cost of remedying such damage.

15. COVENANTS AND WARRANTIES OF SELLER. Seller covenants, represents and warrants to Buyer that:

(a) Seller is owner of the Property and has the ability to deliver insurable and marketable title to the Property, free and clear of all liens and encumbrances other than the Permitted Exceptions.

(b) Seller has the right, power and authority to enter into this Agreement and to sell the Property in accordance with the terms and conditions hereof. The persons executing this Agreement on behalf of Seller warrant their authority to do so and to bind Seller to this Agreement.

(c) At the time of Closing, the Property will be free of any liens, security interests, encumbrances or other restrictions created by Seller except for the Permitted Exceptions, whether existing of record or otherwise. To that end, all taxes on the Property being conveyed have been paid or will have been paid up to and including the year prior to the Closing, except for any taxes that are properly prorated at Closing.

(d) To Seller's actual knowledge, there is no pending or contemplated condemnation proceedings affecting the Property or any part thereof, and Seller agrees to give

Buyer prompt notice of any such contemplated condemnation or the institution of any condemnation proceeding.

(e) Seller is not a party to any litigation affecting the Property or any part thereof or Seller's right to sell the Property, and to the best of Seller's actual knowledge, Seller knows of no litigation or threatened litigation affecting the Property or any part thereof; and Seller covenants and agrees to give to Buyer prompt notice of the institution or threatened institution prior to Closing of any such litigation.

(f) Seller is not bankrupt or insolvent under any applicable Federal or state standard, nor has Seller filed for protection or relief under any applicable bankruptcy or creditor protection statute, or has been threatened by creditors with an involuntary application of any applicable bankruptcy or creditor protection statute. Seller is not entering into the transactions described in this Agreement with an intent to defraud any creditor or to prefer the rights of one creditor over any other. Seller and Buyer have negotiated this Agreement at arms-length and the consideration paid represents fair value for the assets to be transferred.

(g) All representations and warranties made by Seller under the Agreement shall be made as of the date of Closing to the best of Seller's actual knowledge and shall survive Closing for a period of 6 months. Buyer's closing of its acquisition of the Property with knowledge that any of Seller's representations or warranties are false constitutes a waiver of all claims based on such false representations or warranties. As used in this Agreement, the phrase "to the best of Seller's knowledge," "to Seller's knowledge," "to the knowledge of Seller," or for which Seller is "aware", or similar phrase or phrases, such phrase is understood to mean facts within the current actual knowledge of Corey Wise without duty of investigation or inquiry whatsoever.

16. COVENANTS AND WARRANTIES OF BUYER. Buyer covenants, warrants and represents to Seller:

(a) Buyer has full power and authority to enter into and to perform the Agreement in accordance with its terms;

(b) Buyer is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Colorado, and has full power and authority to purchase the Property;

(c) The individuals executing the Agreement on behalf of Buyer are authorized to do so and, upon Buyer's execution of the Agreement, the Agreement shall be binding and enforceable upon Buyer in accordance with its terms; and

(d) The execution and delivery of this Agreement by Buyer, the execution and delivery of every other document and instrument delivered pursuant hereto by or on behalf of Buyer, and the consummation of the transactions contemplated hereby do not and will not (A) constitute or result in the breach of or default under any oral or written agreement to which Buyer is a party; (B) constitute or result in a violation of any order, decree, or injunction with respect to which Buyer is bound; (C) cause or entitle any party to have a right to accelerate or declare a default under any oral or written agreement to which Buyer is a party; and/or (D)

violate any provision of any municipal, state or federal law, statutory or otherwise, to which Seller is or may be subject.

17. DEFAULT.

(a) Buyer's Default. It is hereby agreed that Seller's damages may be difficult to ascertain and that the Earnest Money constitutes a reasonable liquidation thereof and are intended not as a penalty, but as liquidated damages. If the transaction contemplated herein is not consummated because of a default of Buyer under the terms of this Agreement, which default is not cured within ten (10) business days of Seller's written notice, Seller shall be entitled, as its sole and exclusive remedy, to retain the Earnest Money, as liquidated damages and in full settlement of any claims for damages, whereupon Buyer shall have no further liability or obligation hereunder to Seller and no other remedy shall be available for Buyer's breach of this Agreement. Provided, however, that Seller shall also be entitled to enforce all provisions of this Agreement that expressly survive termination, and all remedies arising in law or equity from Buyer's failure to meet its restoration, defense and indemnification obligations as set forth in Section 7(b), above.

(b) Seller's Default. If the transactions contemplated herein are not consummated solely because of a default on the part of Seller prior to Closing, which default is not cured within ten (10) business days of Buyer's written notice, Buyer shall be entitled to one of the following remedies only: (i) right to cancel this Agreement at which time Title Company will refund to Buyer the Earnest Money and Seller shall reimburse Buyer all of Buyer's reasonable and provable out-of-pocket expenses incurred with this transaction; (ii) seek specific performance of this Agreement; or (iii) pursue any available remedies at law or in equity, including, a suit for damages. In no event shall Seller be liable for special, consequential or punitive damages and Buyer hereby waives the right to pursue the same.

18. BROKERAGE. Seller is represented by Eric Roth and Martin Roth of CBRE ("Seller's Broker"). Buyer is represented by Daniel Sheldon of United Development Companies, LLC ("Buyer's Broker"). Seller shall be responsible for a commission to Seller's Broker per a separate agreement and Buyer shall be responsible for payment to Buyer's Broker pursuant to a separate agreement. Each of Buyer and Seller represent that except as set forth above they (i) have not employed a real estate broker, agent or finder in connection with this transaction, and (ii) that no brokers', agents', finders' fees, commissions or other similar fees are due or will be due in connection with this Agreement or this transaction hereunder. To the extent permitted by law and without waiving the provisions of the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-100 et seq., each party agrees to defend, indemnify and hold harmless the other from and against any other claim for broker's or finder's fees or commissions made by any other party claiming to have dealt with it in connection with this Agreement or the transaction contemplated hereby. Seller acknowledges timely disclosure that one or more members of Buyer are licensed real estate brokers in the State of Colorado.

19. NOTICES. Unless otherwise provided herein, all notices and other communications which may be or are required to be given or made by any party hereto in connection with this Agreement shall be in writing and shall be deemed to have been properly given if delivered in person or by electronic mail, or by courier or sent by United States mail,

registered or certified, return receipt requested, to the addresses set out below, or to such other addresses as are from time to time specified by written notice delivered in accordance herewith.

BUYER: UDC Miller, LLC
c/o Daniel Sheldon
6900 E. Belleview Avenue, Suite 300
Greenwood Village, CO 80111
Telephone: 303-771-1500
Email: dsheldon@udcos.com

With a copy to: McGeady Becher P.C.
Attention: Paula Williams
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Telephone: 303-592-4380
Email: pwilliams@specialdistrictlaw.com

SELLER: Douglas County School District RE-1
c/o Corey J. Wise, Superintendent
Andy Abner, Deputy Superintendent
Rich Cosgrove, Chief Operations Officer
620 Wilcox Avenue
Castle Rock, CO 80104
Telephone: C. Wise at 303-387-0123
A. Abner at 303-387-0055
R. Cosgrove at 303-387-0018
Email: corey.wise@dcsdk12.org
andrew.abner@dcsdk12.org
richard.cosgrove@dcsdk12.org

With a copy to: Kristin Edgar
Caplan and Earnest
Telephone: 303-443-8010
Email: kedgar@celaw.com

Mary Kay Klimesh
General Counsel
Telephone: 303-387-0138
Email: mklimesh@dcsdk2.org

TO TITLE COMPANY: Land Title Guarantee Company
Attention: Kathy Talcott
3033 East First Avenue, Suite 600
Denver, CO 80206
Telephone #: 303-321-1500
Email: ktalcott@ltgc.com

20. MISCELLANEOUS.

(a) Time is of the essence hereof. If any date falls on a Saturday, Sunday or date in which banking institutions are closed in the State of Colorado, such deadline shall be extended until the next business day that is not a Saturday, Sunday or banking holiday.

(b) This Agreement is made and shall be construed under and in accordance with the laws of the State of Colorado.

(c) All prior and contemporaneous promises, inducements, offers, solicitations, agreements, commitments, representations, and warranties heretofore made between Seller and Buyer with respect to the Property (including, without limitation, any letters of intent) are merged herein. This Agreement contains the sole and entire understanding between Seller and Buyer with respect to the Property. This Agreement shall not be modified or amended in any respect except by a written instrument executed by or on behalf of each of the parties to this Agreement. This Agreement may not be changed orally, but only by an agreement in writing signed by Buyer and Seller.

(d) This Agreement may be executed in several counterparts and in facsimile, each of which shall constitute an original and all of which together shall constitute one and the same instrument.

(e) This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being recognized that both Buyer and Seller have contributed substantially and materially to the preparation of this Agreement.

(f) Each and every Exhibit referred to or otherwise mentioned in this Agreement is attached to this Agreement and is and shall be construed to be made a part of this Agreement by such reference or other mention at each point at which such reference or other mention occurs, in the same manner and with the same effect as if such exhibit were set forth in full and at length every time it is referred to or otherwise mentioned.

(g) The provisions of this Agreement are intended only for the regulation of relations among the parties hereto. This Agreement is not intended for the benefit of any non-party and does not grant any rights to or confer any benefits on any non-party.

(h) Buyer agrees not to record this Agreement or any notice or memorandum thereof. Any such recording shall be an event of default and cause the termination of this Agreement and the forfeiture of Buyer's Earnest Money at Seller's option.

(i) SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND EXCESSIVE TAX BURDENS TO SUPPORT THE SERVICING OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT

SUCH AN INCREASE IN MILL LEVIES. BUYERS SHOULD INVESTIGATE THE DEBT FINANCING REQUIREMENTS OF THE AUTHORIZED GENERAL OBLIGATION INDEBTEDNESS OF SUCH DISTRICTS, EXISTING MILL LEVIES OF SUCH DISTRICT SERVICING SUCH INDEBTEDNESS, AND THE POTENTIAL FOR AN INCREASE IN SUCH MILL LEVIES.

(j) Seller has advised Buyer that soils naturally occurring within Colorado consist of both expansive soils and low density soils which may result in shifting or other movement of the foundation or otherwise result in damage to the structural, concrete flatwork, or other parts of improvements constructed on the Property, if such improvements are not properly engineered and maintained. Any soils report or geotechnical survey provided by Seller to Buyer under this Agreement shall be for convenience purposes only and Buyer hereby acknowledges that it shall rely on Buyer's own soils report or geotechnical survey in connection with Buyer's investigation of the Property. Except with respect to Seller's express warranties, Buyer shall not have, and releases, relinquishes and waives, any claims or causes of action against Seller or its affiliates for, as a result of, or with respect to the condition of the soil on the Property.

(k) Buyer acknowledges that Seller neither claims nor possesses any special expertise in the measurement or reduction of radon. Buyer further acknowledges that Seller has not undertaken any evaluation of the presence or risks of radon with respect to the Property nor has it made any representation or given any other advice to Buyer as to acceptable levels or possible health hazards of radon. Except as to Seller's express warranties, SELLER HAS MADE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, CONCERNING THE PRESENCE OR ABSENCE OF RADON OR OTHER ENVIRONMENTAL POLLUTANTS WITHIN THE PROPERTY. Except with respect to Seller's express warranties, Buyer, on behalf of itself and its successors and assigns, hereby releases the Seller from any and all liability and claims with respect to radon gas.

(l) In certain locations in Colorado, above average levels of naturally occurring radioactive material ("**NORM**") have been detected. No federal or state regulations or standards address acceptable levels of NORM in residential areas. Buyer is hereby advised that Seller is not qualified, and has not undertaken, to evaluate all aspects of this issue and, with respect to the Property, Seller has not made, and does not make, any representation or warranty, express or implied, concerning the presence, absence, or level of NORM therein. Seller recommends that Buyer, at Buyer's sole cost and expense, conduct an independent investigation and consult with such experts as Buyer deems appropriate in order to determine NORM levels, if any, on the Property.

(m) In the event that any condition or covenant herein contained is held to be invalid or void by any court of competent jurisdiction, the same shall be deemed severable from the remainder of the Agreement and shall in no way affect any other covenant or condition herein contained. If such condition, covenant or other provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

(n) Each party hereto shall from time to time execute and deliver such further instruments as the other party or its counsel may reasonably request to effectuate the intent of

this Agreement, including, but not limited to, documents necessary for compliance with the laws, ordinances, rules or regulations of the Town, County or other applicable governmental authority.

(o) Notwithstanding anything to the contrary in this Agreement, in the event that Buyer or Seller is delayed, disrupted, or restricted in commencing or completing, or is prevented from commencing or completing any obligation, task, or action (except for the payment of any sums due hereunder), because of events, conditions, or circumstances related to or arising out of any one or more of the following: strikes, lockouts, or labor disputes; acts of God; natural disasters; pestilence, epidemics, pandemics, or public health crisis, including without limitation, related to COVID-19, Coronavirus, adaptations or mutations of same, or any disease or condition, related thereto; delays in obtaining, inability to obtain, or shortages of, services, contractors, labor or materials or reasonable substitutes therefor; governmental orders, regulations, or actions, including but not limited to, declared states of emergency, mandated closures, limits on the size or location of gatherings or workforces, acts of civil or military authority, acts to preserve health, safety, or welfare, delays in reviewing, commenting on, processing or approving Entitlements, or postponements or cancellations of meetings or hearings; riots or other civil commotions; fire or other casualty; the closing for impaired operations of financial or debt markets, systems, or institutions; and/or any other cause, event, condition, or circumstance beyond the reasonable control of the Buyer or Seller, regardless of whether any of the foregoing causes, events, conditions, or circumstances exist or are known, unknown, foreseeable, or unforeseeable as of the Effective Date or thereafter (collectively, “**Force Majeure**”), then in Buyer’s or Seller’s sole and absolute discretion, as the case may be (a) the affected Party shall be excused from commencing or completing such obligations, tasks, or actions shall be automatically extended for a reasonable period no less than the duration of the Force Majeure causes, events, conditions, or circumstances, but not to exceed 180 days, regardless of whether such Force Majeure causes, events, conditions, or circumstances have concluded on or prior to such date or deadline.

(p) Buyer and Seller hereby appoint Title Company as, and Title Company by executing below agrees to act as, “the person responsible for closing” the transactions which are the subject of this Agreement, pursuant to Internal Revenue Code of 1986 Section 6045(e). Title Company shall prepare and file the informational return (IRS Form 1099-B) required by and otherwise comply with the terms of IRC § 6045(e). Title Company by executing below further agrees to indemnify, defend and hold Buyer, Seller and their respective attorneys harmless from and against all claims, costs, liabilities, penalties or expenses resulting from Title Company’s failure to file the appropriate reports and otherwise comply with the terms of the Internal Revenue Code pursuant to this Section 19(p).

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly signed, sealed, and delivered this Agreement, intending to be legally bound.

BUYER:

UDC Miller, LLC, a Colorado limited liability company

By: United Development Companies, LLC, a Colorado limited liability company, its Manager

By: *Daniel R. Sheldon*
Daniel R. Sheldon, Manager

Date: 9/22/21

SELLER:

Douglas County School District, a public school district and political subdivision of the State of Colorado

By: _____

Date: _____

ACCEPTANCE BY TITLE COMPANY

The undersigned Title Company hereby agrees to act as escrow holder pursuant to the foregoing Real Estate Purchase Agreement (the "Agreement") dated as of _____, 2021, by and between Douglas County School District, a public school district and political subdivision of the State of Colorado as Seller, and UDC Miller, LLC, a Colorado limited liability company, as Buyer. The undersigned has established Escrow No. _____ pursuant to the terms thereof. Title Company agrees to comply with the instructions to the Title Company contained in the Agreement.

LAND TITLE GUARANTEE COMPANY

By: _____

(Signature)

Name: _____

(Print Name)

Title: _____

(Print Title)

Executed on: _____

(Print Date)

EXHIBIT A

Legal Description of Land

Tract 1, The Pinery, Filing No. 6, located in the N1/2, NW1/4 of Section 7, T. 7 S., R. 65 W., County of Douglas, State of Colorado (containing approximately 12.352 acres).

EXHIBIT B

Form of Restrictive Covenant and Deed Restriction

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

RESTRICTIVE COVENANT AND DEED RESTRICTION

This **Restrictive Covenant and Deed Restriction** (“Covenant”) is made and entered into as of the **DAY** day of **MONTH YEAR** by the **SCHOOL DISTRICT**, a public school district and political subdivision of the State of Colorado (the “**School District**”), **ADDRESS**, and is for the benefit of and enforceable by the School District.

WHEREAS, the School District is the owner of the real property described on **Exhibit A** attached hereto and incorporated herein by reference, located at **ADDRESS** (the “**Property**”). For purposes of this Covenant, the Property and all appurtenances, improvements and fixtures associated therewith shall hereinafter be referred to as the “**Property**”; and

WHEREAS, the School District desires to sell the Property and ensure that its development and future is compatible with the interests of the community and the School District and that the use of the Property will not adversely impact the School District; and

WHEREAS, the School District desires to subject the Property to this Covenant in order to protect and preserve the interests referred to above once the Property is sold by the School District; and

WHEREAS, this Covenant is to be binding upon any subsequent buyer, devisee, transferee, grantee, owner or holder of title of the Property, or any portion thereof, and for purposes of this Covenant, the word “Owner,” shall mean and include any entity or person who acquires an ownership interest in the Property, or any portion thereof, after the recording of this Covenant in the real estate records of the County of Douglas, State of Colorado; and

WHEREAS, the Board of Education of the School District has notified the public of its intent to impose this Covenant and discussed the issue in public at a regularly scheduled meeting of the Board.

NOW, THEREFORE, in consideration of the foregoing recitals, incorporated by this reference, the School District as the owner of the Property, together with all rights and appurtenances thereto and improvements thereon, for itself, its successors and assigns and all subsequent grantees and transferees, declares, creates and imposes the following land use covenants, restrictions and limitations on the Property, or any portion thereof, and declares that the Property shall, from and after the date of the recording of this Covenant with the Clerk and Recorder of the County of Douglas, Colorado, hereafter be subject to the terms and conditions of this Covenant. This Covenant shall run with the land and the Property, shall be binding upon the Property and shall be binding upon any subsequent Owner of the Property, or any portion thereof, and their heirs, successors, and assigns, and shall be for the benefit of the School

District. Acceptance of a deed or other instrument of conveyance of the Property, or any portion thereof, shall constitute acceptance and approval of this Covenant and agreement to be bound by this Covenant without the necessity of expressly providing for such effect with respect to any particular provision herein.

1. Restrictions. The Property is subject to the following restrictions:

(a) No public or private school that provides or awards academic credit or credit toward vocational, professional, secondary or post-secondary degrees, licenses, or certifications shall be conducted in, on, or through the Property, including, but not limited to, charter, online, virtual, electronic, correspondence, career or technical or other educational programs or course offerings or tutoring assistance, for any children or persons who would be eligible to enroll in, attend, or participate in preschool through grade 12, or any one or combination of such grades, within or provided as part of the School District's traditional schools or regular educational programs. As further explanation of this restriction, and not in limitation of it, the purpose of this restriction is not to allow activities to be carried on at the Property that would, directly or indirectly, enroll students who would otherwise be eligible to enroll in and attend other School District schools, courses, or offerings.

2. Term. This Covenant and the restrictions contained therein shall be in full force and effect for a period of thirty (30) years from the date of the recording of this Covenant with the Douglas County Clerk and Recorder's Office.

3. Binding Effect. This Covenant shall run with the land and the Property and shall be binding upon any transferee, grantee, or any future owner of the Property or any portion thereof. Any transfer of title to the Property, or any portion thereof, by deed or other instrument of conveyance, shall be subject to this Covenant and by acceptance of a deed or instrument of conveyance, the transferee, grantee or any future owner of the Property, or any portion thereof, shall be deemed to have consented to this Covenant and the restrictions contained therein.

4. Enforcement. This Covenant may be enforced by the School District and enforcement may be made by any lawful means, including a suit for injunctive relief and damages to reimburse the School District for enforcement costs, including reasonable attorney's fees. Venue for any suit to enforce compliance with this Covenant shall be proper in the District Court for the County of Douglas, State of Colorado. As part of any enforcement action on the part of the School District, the party that does not prevail shall be responsible for the payment of all court costs and reasonable attorney's fees incurred by the prevailing party, in connection with any action to enforce this Covenant.

5. Miscellaneous Provisions.

(a) Severability. Whenever possible, each provision of this Covenant and any other related document shall be interpreted in such a manner as to be valid under applicable law; but if any provision of any of the foregoing shall be

invalid or prohibited under said applicable law, such provisions shall be ineffective to the extent of such invalidity or prohibition without invalidating the remaining provisions of such document.

- (b) Governing Law. This Covenant and each and every related document is to be governed and construed in accordance with the laws of the State of Colorado.
- (c) Binding Effect. Except as otherwise provided herein, the provisions and covenants contained herein shall inure to the benefit of and be binding upon the School District.
- (d) Section Headings. Paragraph or section headings within this Covenant are inserted solely for convenience of reference, and are not intended to, and shall not govern, limit or aid in the construction of any terms or provisions contained herein.
- (e) Waiver. No claim of waiver, consent of acquiescence with respect to any provision of this Covenant shall be valid except on the basis of a written instrument executed by the School District recorded in the real estate records for Douglas County.
- (f) Modifications. Any modifications of this Covenant shall be effective only when made by writings approved by the School District's Board of Education, signed by an authorized officer of the Board, and recorded with the Clerk and Recorder of Douglas County, Colorado.
- (g) Owner and Successors Bound. The term "Owner" shall mean the person or persons who shall acquire an ownership interest in the Property, or any portion thereof, subject to this Covenant; it being understood that such person or persons shall be deemed an "Owner" hereunder only during the period of his, her or their ownership interest in the Property, or any portion thereof, and shall be obligated hereunder for the full and complete performance and observance of all covenants, conditions and restrictions contained herein during such period.

SCHOOL DISTRICT SIGNATURE BLOCK

EXHIBIT A