MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is executed effective the 30th day of August, 2024 by and between El Paso County School District 49 ("D49") and Classic SRJ Land, LLC ("Classic").

Classic is the record owner of all of the property east of Sand Creek located within the Sketch Plan commonly referred to as Sterling Ranch, as shown on the attached Exhibit "A" ("Sterling Ranch").

The Sterling Ranch Sketch Plan contains a proposed 10 acre elementary school site located within the boundaries of Sterling Ranch as depicted on the attached Exhibit A Sketch Plan ("Sterling School Site").

Classic is the record owner of all of the property located within the Sketch Plan commonly known as The Ranch, as shown on the attached Exhibit "B" ("Ranch").

The Ranch Sketch Plan contains a 12.8 acre elementary school site located within the boundaries of the Ranch, as depicted on the attached Exhibit B Sketch Plan ("Ranch School Site").

D49 has determined that it is not in the best interests of D49 to acquire the Sterling School Site and the Ranch School Site (collectively, the "Sites") as the Sites no longer accommodate the facilities and programming envisioned by D49.

D49 has expressed interest in acquiring a site of 31-35 acres within or in the immediate vicinity of Sterling Ranch and the Ranch in lieu of the Sterling School Site and the Ranch School Site ("Replacement Site").

Classic has agreed, as further provided in this MOU, to provide D49 with the Replacement Site in exchange for being released from any obligation to convey the Sterling School Site or the Ranch School Site to D49 and to entitle the Sites for development by Classic.

As such, Classic and D49 agree as follows:

1. Classic shall be allowed to process entitlements for development of the Sterling School Site and the Ranch School Site. D49 shall provide El Paso County with any reasonable County required written communication evidencing Classic's right to process such entitlements and develop the Sites. This right is irrevocable and may be exercised immediately or at any time in the future.

2. In exchange for the rights granted to Classic set forth above Classic agrees to process entitlements plat and dedicate the Replacement Site to the County for future development by D49. Such Replacement Site shall be located within the property commonly referred to as "Raygor", identified on the attached Exhibit C ("Raygor Property"). Classic shall have the right to propose alternative sites within or adjacent to Sterling Ranch and the Ranch in lieu of the Raygor Property as the Replacement Site, but any such Replacement Site shall be subject to approval by D49 in its sole but reasonable discretion.

This MOU is executed effective as of the day and year written above.

[Signatures on Following Page]

Classic SRJ Land, LLC

A Colorado Limited Liability Company

By: Elite Properties of America, Inc.

A Colorado Corporation

Its: Manager

By: _____

Douglas M Stimple

Its: CEO

El Paso County School District 49

By: David H Trautenberg

Its: Chief Financial Officer