

Form No. 1402.06
ALTA Owner's Policy (6-17-06)
1100302P050600



Policy Page 1
Policy Number: 1036764

OWNER'S POLICY OF TITLE INSURANCE

ISSUED BY

First American Title Insurance Company

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a Nebraska corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) 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. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (a) the occupancy, use, or enjoyment of the Land;
 - (b) the character, dimensions, or location of any improvement erected on the Land;
 - (c) the subdivision of land; or
 - (d) environmental protection
 if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental

police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.

7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
 - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this policy, but only to the extent provided in the Conditions.

First American Title Insurance Company

Dennis J. Gilmore, President

Greg L. Smith, Secretary

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risks 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

CONDITIONS**1. DEFINITION OF TERMS**

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Insured": The Insured named in Schedule A.
 - (i) The term "Insured" also includes
 - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
 - (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
 - (C) successors to an Insured by its conversion to another kind of Entity;
 - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
 - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
 - (2) if the grantee wholly owns the named Insured,
 - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
 - (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.

- (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": An Insured claiming loss or damage.
- (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (j) "Title": The estate or interest described in Schedule A.
- (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

- (a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.
- (b) The Company shall have the right, in addition to the options contained in

Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

- (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Insurance.
To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay. Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.
- (b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.
(i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
(ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs,

attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of
(i) the Amount of Insurance; or
(ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.
- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,
(i) the Amount of Insurance shall be increased by 10%, and
(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

- (a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

16. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM

- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefore in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located. Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.
- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at 1 First American Way, Santa Ana, CA 92707, Attn: Claims Department.

POLICY OF TITLE INSURANCE



SCHEDULE A***First American Title Insurance Company***

Name and Address of the issuing Title Insurance Company:

First American Title Insurance Company
1125 17th Street, Suite 500
Denver, CO 80202File No.: **NCS-1036764-CO**Policy No.: **1036764**

Address Reference: Vacant Land / APN 55000-00-383, 55000-00-314 - 323, 55000-00-385, Colorado Springs, CO

Amount of Insurance: \$15,000,000.00

Date of Policy: Date of recording at time of recording

1. Name of Insured:

Murray Fountain, LLC, a Colorado limited liability company

2. The estate or interest in the Land that is insured by this policy is:

Fee Simple, as to Parcels A and B; easement, as to Parcel C

3. Title is vested in:

Murray Fountain, LLC, a Colorado limited liability company

4. The Land referred to in this policy is described as follows:

PARCEL A:

A TRACT OF LAND BEING A PORTION OF SECTIONS 1, 2, 11 AND 12, TOWNSHIP 15 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE NORTH LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 1, BEING MONUMENTED AT THE EAST END BY A 3.50 INCH ALUMINUM CAP IN RANGE BOX STAMPED "LS 17496" AND MONUMENTED AT THE WEST END BY A 3.50 INCH ALUMINUM CAP IN RANGE BOX STAMPED "LS 17496", WITH THE LINE CONSIDERED TO BEAR N 00 DEGREES 25 MINUTES 12 SECONDS E.

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 1 SAID POINT BEING THE POINT OF BEGINNING;

THENCE S 00 DEGREES 04 MINUTES 44 SECONDS E AND ALONG THE EAST LINE OF THE NORTHEAST ONE-QUARTER OF SECTION 1 A DISTANCE OF 2643.43 FEET TO THE EAST ONE-QUARTER CORNER OF SECTION 1;

THENCE S 00 DEGREES 04 MINUTES 53 SECONDS E AND ALONG THE EAST LINE OF THE SOUTHEAST ONE-QUARTER OF SECTION 1 A DISTANCE OF 2609.66 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF BRADLEY ROAD AS RECORDED IN THE EL PASO COUNTY RECORDS UNDER RECEPTION NO. 098124132;

THENCE WESTERLY AND ALONG THE NORTH RIGHT-OF-WAY LINE OF BRADLEY ROAD THE FOLLOWING THREE COURSES;

1. S 89 DEGREES 50 MINUTES 39 SECONDS W A DISTANCE OF 1124.04 FEET TO A POINT OF CURVE;
2. ALONG THE ARC OF CURVE TO THE LEFT HAVING A DELTA OF 13 DEGREES 39 MINUTES 41 SECONDS, A RADIUS OF 5105.00 FEET, AND A LENGTH OF 1217.22 TO THE POINT OF TANGENT;
3. S 76 DEGREES 10 MINUTES 58 SECONDS W A DISTANCE OF 5797.66 FEET TO A POINT ON THE WEST LINE OF THE NORTHEAST ONE-QUARTER OF SECTION 11;

THENCE N 00 DEGREES 10 MINUTES 04 SECONDS W AND ALONG THE WEST LINE OF THE NORTHEAST ONE-QUARTER OF SECTION 11 A DISTANCE OF 1392.70 FEET TO THE NORTH ONE-QUARTER CORNER OF SECTION 11;

THENCE N 00 DEGREES 23 MINUTES 37 SECONDS W AND ALONG THE EAST LINE OF THE SOUTHWEST ONE-QUARTER OF SECTION 2 A DISTANCE OF 1319.07 FEET TO THE NORTHEAST CORNER OF THE SOUTH ONE-HALF OF SECTION 2;

THENCE S 89 DEGREES 37 MINUTES 54 SECONDS W ALONG THE NORTH LINE OF THE SOUTH ONE-HALF OF THE SOUTHWEST ONE-QUARTER OF SECTION 2 A DISTANCE OF 1964.31 FEET TO THE NORTHWEST CORNER OF THE WEST ONE-HALF OF THE SOUTHWEST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SECTION 2;

THENCE N 05 DEGREES 50 MINUTES 18 SECONDS E A DISTANCE OF 2540.30 FEET;

THENCE N 36 DEGREES 32 MINUTES 24 SECONDS E A DISTANCE OF 1604.90 FEET;

THENCE N 16 DEGREES 58 MINUTES 50 SECONDS E A DISTANCE OF 184.45 FEET TO A POINT ON THE NORTH LINE OF THE NORTHWEST ONE-QUARTER OF SECTION 2;

THENCE N 89 DEGREES 23 MINUTES 49 SECONDS E AND ALONG THE NORTH LINE OF THE NORTHWEST ONE-QUARTER OF SECTION 2 A DISTANCE OF 668.25 FEET TO THE NORTH ONE-QUARTER CORNER OF SECTION 2;

THENCE N 89 DEGREES 23 MINUTES 28 SECONDS E AND ALONG THE NORTH LINE OF THE NORTHEAST ONE-QUARTER OF SECTION 2 A DISTANCE OF 2668.77 FEET TO THE NORTHEAST CORNER OF SECTION 2;

THENCE N 89 DEGREES 21 MINUTES 45 SECONDS E AND ALONG THE NORTH LINE OF THE NORTHWEST ONE-QUARTER OF SECTION 1 A DISTANCE OF 2657.57 FEET TO THE NORTH ONE-QUARTER CORNER OF SECTION 1;

THENCE N 89 DEGREES 19 MINUTES 28 SECONDS E AND ALONG THE NORTH LINE OF THE NORTHEAST ONE-QUARTER OF SECTION 1 A DISTANCE OF 2667.46 FEET TO THE POINT OF BEGINNING.

EXCLUDING THEREFROM THAT PORTION AS CONVEYED IN WARRANTY DEED RECORDED JANUARY 21, 2014 AT RECEPTION NO. 214004738.

PARCEL B:

A TRACT OF LAND BEING IN THE NORTHEAST ONE-QUARTER OF SECTION 11, AND THE NORTHWEST ONE-QUARTER OF SECTION 12, TOWNSHIP 15 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE SOUTH LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 11, BEING MONUMENTED AT THE WEST END BY A 3.50 INCH ALUMINUM CAP STAMPED "PLS 23044" AND MONUMENTED AT THE EAST END BY A 3.50 INCH ALUMINUM CAP STAMPED "PLS 23044", WITH THE LINE CONSIDERED TO BEAR N 89 DEGREES 31 MINUTES 36 SECONDS E.

COMMENCING AT THE CENTER ONE-QUARTER CORNER OF SAID SECTION 11, SAID POINT BEING THE POINT OF BEGINNING;

THENCE N 00 DEGREES 10 MINUTES 04 SECONDS W AND ALONG THE WEST LINE OF THE NORTHEAST ONE-QUARTER OF SECTION 11 A DISTANCE OF 1033.36 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF BRADLEY ROAD AS RECORDED IN THE EL PASO COUNTY RECORDS UNDER RECEPTION NO. 98124132;

THENCE N 76 DEGREES 10 MINUTES 58 SECONDS E AND ALONG THE SOUTH RIGHT-OF-WAY OF BRADLEY ROAD A DISTANCE OF 4694.01 FEET;

THENCE SOUTHERLY AND ALONG THE WEST LINE OF DRAINAGE TRACT THE FOLLOWING TWO COURSES;

1. ALONG THE ARC OF A CURVE TO THE LEFT WHOSE CENTER BEARS S 54 DEGREES 13 MINUTES 04 SECONDS E HAVING A DELTA OF 35 DEGREES 53 MINUTES 49 SECONDS, A RADIUS OF 3000.00 FEET AND A LENGTH OF 1879.56 FEET TO THE POINT OF TANGENT, SAID POINT BEING ON THE WEST LINE OF THE EAST ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SECTION 12;
2. S 00 DEGREES 06 MINUTES 53 SECONDS E AND ALONG THE WEST LINE OF THE EAST ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SECTION 12 A DISTANCE OF 355.87 FEET TO THE SOUTHEAST CORNER OF THE WEST ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SECTION 12;

THENCE S 89 DEGREES 17 MINUTES 26 SECONDS W AND ALONG THE SOUTH LINE OF THE WEST ONE-HALF OF THE NORTHWEST ONE-QUARTER OF SECTION 12 A DISTANCE OF 1323.85 FEET TO THE WEST ONE-QUARTER OF SECTION 12;

THENCE S 89 DEGREES 31 MINUTES 36 SECONDS W AND ALONG THE SOUTH LINE OF THE NORTHWEST ONE-QUARTER OF SECTION 11 A DISTANCE OF 2665.93 FEET TO THE POINT OF BEGINNING.

EXCLUDING THEREFROM THAT PORTION CONVEYED IN SPECIAL WARRANTY DEED RECORDED JANUARY 3, 2014 AT RECEPTION NO. 214000553.

PARCEL C:

NON-EXCLUSIVE EASEMENT CREATED BY AND CONTAINED IN THAT CERTAIN SPECIAL WARRANTY DEED RECORDED JANUARY 3, 2014 AT RECEPTION NO. 21400553.

NOTICE: This is a pro-forma policy furnished to or on behalf of the party to be insured. It neither reflects the present status of title, nor is it intended to be a commitment to insure. The inclusion of endorsements as part of the pro-forma policy in no way evidences the willingness of the Company to provide any affirmative coverage shown therein.

There are requirements which must be met before a final policy can be issued in the same form as this pro-forma policy. A commitment to insure setting forth these requirements should be obtained from the Company.

SCHEDULE BFile No.: **NCS-1036764-CO**Policy No.: **1036764****EXCEPTIONS FROM COVERAGE**

This Policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

1. This item has been intentionally deleted.
2. This item has been intentionally deleted.
3. This item has been intentionally deleted.
4. This item has been intentionally deleted.
5. This item has been intentionally deleted.
6. Taxes and assessments for the year 2021 and subsequent years, a lien not yet due and payable.
7. This item has been intentionally deleted.
8. Any water rights, claims of title to water, in, on or under the Land.
9. Any existing leases or tenancies.
10. Rights of way for County Roads 30 feet on either side of section and township lines, as established by the Resolution of the Board of County Commissioners of El Paso County, recorded June 20, 1917 in Book 571 at Page 55.
11. Reservation of an undivided one half interest interest in oil, gas and other minerals as reserved in Deed recorded April 28, 1943 in Book 1033 at Page 120 at Reception No. 580581. Conveyance of Mineral interests in connection therewith as contained in documents recorded April 19, 1944 in Book 1058 at Page 262 at Reception No. 696056, June 10, 1977 in Book 2930 at Page 326 at Reception No. 330421, and recorded December 23, 1985 in Book 5105 at Page 504 at Reception No. 1337855, [INTENTIONALLY DELETED: Book 5105 at Page 505 at Reception No. 1337856] and Book 5105 at Page 506 at Reception No. 1337857, and any and all assignments thereof or interests therein.
12. Reservation of coal, oil, gas and other minerals as reserved in Deed recorded May 4, 1959 in Book 1741 at Page 384 at Reception No. 110878, Personal Representative's Mineral Deed in connection therewith recorded November 13, 1992 in Book 6068 at Page 779 at Reception No. 2218856, and any and all assignments thereof or interests therein.
13. An easement for utility lines and incidental purposes granted to Public Service Company of Colorado, as set forth in an instrument recorded July 9, 1964 in Book 2023 at Page 395 at Reception No. 355606, Consent to Easement in connection therewith recorded July 9, 1964 in Book 2023 at Page 397 at Reception No. 355607, as shown on the Monumented Land Survey Plat prepared by Vernon P. Taylor, CO P.L.S. No. 15966, of M & S Civil Consultants, Inc., with a prepared date of December 4, 2020, last revised _____, 2020, as Job No. 43-133, and recorded at Reception No. _____ (the "Survey").

14. An easement for electric lines and incidental purposes granted to Mountain View Electric Association, Inc., as set forth in an instrument recorded February 8, 1974 in Book 2655 at Page 58 at Reception No. 49697. Assignment to Tri-State Generation and Transmission Association, Inc. in document recorded July 27, 1976 in Book 2846 at Page 719 at Reception No. 249731, as shown on the Survey.
15. Pipeline Easement as disclosed in documents recorded July 18, 1986 in Book 5203 at Page 396 at Reception No. 1424775, April 4, 1994 in Book 6417 at Page 1238 at Reception No. 94046627, November 22, 1994 in Book 6566 at Page 1050 at Reception No. 94158102, February 13, 1998 at Reception No. 98017721 and January 20, 1999 at Reception No. 99009587.
16. An easement for gas pipeline and incidental purposes granted to Diamond Shamrock Pipeline Company, as set forth in an instrument recorded April 15, 1994 in Book 6426 at Page 1105 at Reception No. 94053029.
17. An easement for electric, telephone and telegraph lines and incidental purposes granted to Mountain View Electric Association, Inc., as set forth in an instrument recorded August 12, 1994 in Book 6506 at Page 72 at Reception No. 94112033.
18. Those easements created and set forth in the instruments recorded August 31, 1998 at Reception No. 98124132, [INTENTIONALLY DELETED: October 21, 1998 at Reception No. 98152765,] August 16, 1999 at Reception No. 99131064, January 11, 2001 at Reception No. 201004459 and July 29, 2004 under Reception No. 204127323.
19. This item has been intentionally deleted.
20. This item has been intentionally deleted.
21. This item has been intentionally deleted.
22. Any tax, lien, fee or assessment by reason of inclusion of subject property in the Rolling Hills Ranch Metropolitan Districts 1-10, as evidenced by instruments recorded January 4, 2007 at Reception Nos. 207001680, 207001681, 207001682, 207001683, 207001684, 207001685, 207001686, 207001687, 207001688 and 207001689.

Board of County Commissioners County of El Paso, State of Colorado Resolution No. 06-324 approving the Title 32 Consolidated Service Plan for Rolling Hills Ranch Metropolitan Districts Nos. 1-15 in connection therewith recorded September 14, 2006 at Reception No. 206136195, none due and payable at Date of Policy,.

23. Any tax, lien, fee or assessment by reason of inclusion of subject property in the Southeastern Colorado Water Conservancy District, as evidenced by instrument recorded February 9, 2007 at Reception No. 207019085, none due and payable at Date of Policy..
24. Terms, conditions, provisions, obligations and agreements as set forth in the Board of County Commissioners County of El Paso, State of Colorado Resolution No. 06-395 approving the Rezone from the RR-3 Zone District to an Overall PUD District recorded March 1, 2007 at Reception No. 207028929.
25. Terms, conditions, provisions, obligations and agreements as set forth in the Service Agreement between Widefield Water and Sanitation District and CS 2005 Investments, LLC (Rolling Hills Ranch) recorded May 11, 2007 at Reception No. 207064749, and re-recorded at Reception No. 212101012. As affected by Water Connection Agreement between Widefield Water & Sanitation District and United States of America Department of Veterans Affairs recorded January 8, 2018 at Reception No. 218002992.

26. The effect of Rolling Hills Ranch Overall PUD Development Plan recorded October 5, 2007 at Reception No. 207130796.
27. The effect of Homestead at Rolling Hills Ranch PUD Development Plan recorded October 5, 2007 at Reception No. 207130797.
28. This item has been intentionally deleted.
29. This item has been intentionally deleted.
30. Covenants, conditions, restrictions, provisions and transfer fee as set forth in Declaration of Covenants, Conditions, and Restrictions (Rolling Hills) recorded May 18, 2011 at Reception No. 211048846, but omitting any covenant or restriction based on race, color, religion, sex, handicap, familial status, or national origin, and any and all amendments, assignments, or annexations thereto.

Notice of Transfer Fee (Rolling Hills) in connection therewith recorded September 22, 2011 at Reception No. 211092330.

Notice of Exclusion from Covenants, Conditions, and Restrictions in connection therewith recorded January 21, 2014 at Reception No. 214004736.
31. This item has been intentionally deleted.
32. Combined with Exception 25.
33. This item has been intentionally deleted.
34. Terms, conditions, provisions, obligations, easements and agreements as set forth in the Permanent Easement Agreement recorded January 3, 2014 at Reception No. 214000554, as shown on the Survey.
35. This item has been intentionally deleted.
36. This item has been intentionally deleted.
37. Combined with Exception 25.
38. Terms, conditions, provisions, obligations, easements and agreements as set forth in the Easement Agreement recorded April 25, 2018 at Reception No. 218046272. The Temporary Construction Easement granted therein automatically terminated on the earlier to occur of substantial completion of the Improvements or December 31, 2019.
39. Terms, conditions, provisions, obligations, easements and agreements as set forth in the Easement Agreement recorded April 25, 2018 at Reception No. 218046273. The Temporary Construction Easement granted therein automatically terminated on the earlier to occur of substantial completion of the Improvements or December 31, 2019.
40. This item has been intentionally deleted.
41. This item has been intentionally deleted.

End of Schedule B

Anti-fraud Statement

Pursuant to CRS 10-1-128(6)(a), it is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

ENDORSEMENTAttached to Policy No. **1036764**

Issued by

First American Title Insurance Company

HEREIN CALLED THE COMPANY

Order No.: **NCS-1036764-CO**

The Company insures the insured against loss which the insured shall sustain by reason of damage to existing improvements, including lawns, shrubbery or trees resulting from the exercise of any right to use the surface of the land for the extraction or development of the minerals excepted from the description of the land or shown as a reservation in Schedule B.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Signed under seal for the Company, but this Endorsement is to be valid only when it bears an authorized countersignature

First American Title Insurance Company

Dennis J. Gilmore, President



Greg L. Smith, Secretary