

**Villages at Waterview North Addition No. 1
ANNEXATION AGREEMENT**

THIS ANNEXATION AGREEMENT "Agreement", dated this 28th day of APRIL, 2023 is between the City of Colorado Springs, a home rule city and Colorado municipal corporation ("City"), and CPR Entitlements LLC, Veterans Villa Operating LLC, WVN 9.6 LLC, PHI Real Estate Services LLC, and Kyungsoon Folan ("Owners" or "Property Owners").

I.
INTRODUCTION

The Owners own all of the real property located in El Paso County, Colorado, identified and described on the legal description attached as Exhibit A (the Property).

The growth of the Colorado Springs metropolitan area makes it likely that the Property will experience development in the future. The Owners will be required to expend substantial amounts of funds for the installation of infrastructure needed to service the Property and, therefore, desires to clarify Owners' obligations for installation of or payment for any off-site infrastructure or improvements and with regard to the City's agreements with respect to provision of services to the Property and cost recoveries available to Owners. Subject to the terms and conditions set forth in this Agreement, both the City and Owners wish to annex the Property into the City to ensure its orderly development. In consideration of the mutual covenants contained in this Agreement, the receipt and sufficiency of which are acknowledged by each of the parties, the City and Owners agree as follows.

II.
ANNEXATION

The Owners have petitioned the City for annexation of the Property as set forth in Exhibit A. The annexation will become effective upon final approval by the City Council and the recording of this annexation agreement, the annexation plat, the Villages at Waterview North Addition No. 1 special warranty deed and irrevocable consent to the appropriation, withdrawal, and use of groundwater as forth in Exhibit B and the annexation ordinance with the El Paso County Clerk and Recorder.

All references to the Property or to the Owners' Property are to the Property described in Exhibit A except as otherwise indicated.

III.
LAND USE

The Villages at Waterview North Master Plan, MAPN-22-0002, for the Property has been proposed and submitted to the City for approval. Owners will comply with the approved Master Plan or an amended Master Plan approved in accord with applicable provisions of the Code of the City of Colorado Springs 2001, as amended or recodified ("City Code").

IV.
ZONING

A. Zoning. The Planning and Development Department of the City agrees to recommend that the initial zone for the Owners' Property shall be C6 (General Business), PBC (Planned Business Center), PF (Public Facility), R-5 (Multi-family residential), and R-2 (Two-family Residential) upon annexation. While zoned for commercial or residential, a development plan shall be required for any use. Owners acknowledge the Property shall also be established with an Avigation Easement over the entire Property. Owners acknowledge and understand that the City Council determines what an appropriate zone is for the Property, and this recommendation does not bind the Planning Commission or City Council to adopt the recommended zone for the Property.

B. Change of Zoning. Any future change of zone request shall conform to the Villages at Waterview North Concept Plan, City File Number COPN-22-0002, as approved or as amended by the City in the future. Rezoning in accord with the zones reflected on the Concept Plan will occur prior to actual development of the site.

V.
PUBLIC FACILITIES

A. General. As land is annexed into the City it is anticipated that land development will occur. In consideration of this land development, the City requires public facilities and improvements to be designed, extended, installed, constructed, dedicated and conveyed as part of the land development review and construction process. Public facilities and improvements are those improvements to property which, after being constructed by the Owners and accepted by the City, shall be maintained by the City or another public entity. Generally, the required public facilities and improvements and their plan and review process, design criteria, construction standards, dedication, conveyance, cost recovery and reimbursement, assurances and guaranties, and special and specific provisions are addressed in Chapter 7, Article 7 of the City Code (the "Subdivision Code"). Public facilities and improvements include but are not necessarily limited to: 1.) Utility facilities and extensions for water, wastewater, fire hydrants, electric, gas, streetlights, telephone and telecommunications (For water, wastewater, gas and electric utility service, refer to Chapter 12 of the City Code and Section VI. "Utilities Services" and Section VII. "Water Rights" of this Agreement.); 2.) Streets, alleys, traffic control, sidewalks, curbs and gutters, trails and bicycle paths; 3.) Stormwater infrastructure to control, treat, detain, and convey stormwater; 4.) Arterial roadway bridges; 5.) Parks; 6.) Schools; and 7.) Other facilities and improvements warranted by a specific land development proposal.

It is understood that all public facilities and improvements shall be subject to the provisions of the Chapter 7, Article 7 of the City Subdivision Code, unless otherwise specifically provided for under the terms and provisions of this Agreement. Those specifically modified public facilities and improvements provisions are as follows:

B. Metropolitan Districts. The parties anticipate that the Owners will seek formation of special districts as part of future development of the Property. The City will review applications for such districts upon request of the involved Owners in accordance with applicable Colorado law, City Code, and the City's Special District Policy.

C. Streets, Bridge and Traffic Control. Unless agreed to elsewhere in this Agreement the Owners agree to construct, at the Owners' expense, those street, bridge and/or traffic improvements adjacent to or within the Property owned by them. These improvements shall also include mutually acceptable dedications of right-of-way and easements, and extension of streets and right-of-way.

1. On-Site or Adjacent Streets: Owners agrees to comply with timing and phasing of construction responsibilities outlined specifically on the Villages at Waterview North Concept Plan, COPN-22-0002, and any subsequent amendments ("Concept Plan"). Owners agrees to construct any on-site public

roadways to City standards.

2. Off-Site Streets and Bridges: Owners agrees to construct, at the Owners' expense, all required auxiliary lanes on Bradley Road at future access intersections, the timing and phasing of which is outlined in the Concept Plan.
 3. Traffic Control Devices. Owners shall pay for installation of traffic and street signs, striping, and traffic control devices, and permanent barriers, together with all associated conduit for all streets within or contiguous to the Property as outlined in a future development agreement for each zoning or rezoning of the Property as determined necessary by the City and in accord with uniformly applied criteria set forth by the City. Prior to construction plan approval, Owners shall pay to the City a future signal fee of \$200,000 to help cover costs incurred by the City or other third parties to install traffic control devices and relating traffic improvements for the intersection of Bradley Road and Legacy Hill Drive. Installation of traffic signals may be deferred until after proposed development warrants signals, as determined by the City Traffic Engineer applying the criteria set for in the Manual on Uniform Traffic Control Devices in use at the time or other nationally accepted states.
- D. Drainage. A Master Development Drainage Plan shall be prepared and submitted by the Owners to the City and approved by the City Engineer. Final Drainage Reports and Plans shall be prepared and submitted by the Owners to the City and approved by the City Engineer, prior to recording subdivision plats. Owners shall comply with all drainage criteria, standards, policies and ordinances in effect at the time of development, including but not limited to the payment of any drainage, arterial bridge and detention pond fees and the reimbursement for drainage facilities constructed. The Owners shall provide full spectrum detention for all developed areas; to be owned and maintained by the Owners. Owners shall be responsible for conformance with the Jimmy Camp Creek and Big Johnson Reservoir Drainage Basin Planning Studies.
- E. Parks: Any residential uses are subject to applicable land dedication requirements for neighborhood and community park land which may be met through either land, and/or fees in lieu as required by the City Code of the City of Colorado Springs.
- F. Schools: Any residential uses are subject to school fees.
- G. Improvements Adjacent to Park and School Lands. Streets and other required public improvements adjacent to park and school lands dedicated within the Property will be built by the Owners without reimbursement by the City or the School District.
- H. Airport / Avigation Easements. Owners agree to provide an avigation easement to apply to all the Property which lies under the Part 77 approach surfaces as defined by the Federal Aviation Administration prior to platting any Property impacted by aircraft traffic as determined by the City's Director of Aviation. Such avigation easement shall be provided upon a form acceptable to the City.

VI.

UTILITY SERVICES

- A. Colorado Springs Utilities' (UTILITIES) Services: UTILITIES' water, non-potable water, wastewater, electric, streetlight, and natural gas services ("Utility Service" or together as "Utility Services") are available to eligible customers upon connection to UTILITIES' facilities or utility systems on a "first-come, first-served" basis, provided that (among other things) the City and UTILITIES determine that the applicant meets all applicable requirements of the City's Code of Ordinances ("City Code"), UTILITIES Tariffs, Utilities Rules and Regulations ("URRs"), and Line Extension and Service Standards ("Standards") for each Utility-Service application. In addition, the availability of Utility Services is contingent upon the terms detailed herein and the dedication or conveyance of real and personal property, public rights-of-way, private rights-of-way, or easements that

UTILITIES determines are required for the extension of any proposed Utility Service from UTILITIES's utility system facilities that currently exist or that may exist at the time of the proposed extension or connection.

Owners shall ensure that the connections and/or extensions of Utility Services to the Property are in accordance with this Agreement and with the requirements of City Code and UTILITIES' Tariffs, URRs, and Standards, and Pikes Peak Regional Building Department codes in effect at the time of Utility Service connection and/or extension. Owners acknowledge responsibility for the costs of any extensions or utility system improvements that are necessary to provide Utility Services to the Property or to ensure timely development of integrated utility systems serving the Property and areas outside the Property as determined by UTILITIES.

Owners acknowledge that UTILITIES' connection requirements shall include Owners' payment of all applicable development charges, recovery-agreement charges, advance recovery-agreement charges, aid-to-construction charges and other fees or charges applicable to the requested Utility Service. Because recovery agreement charges, advance recovery-agreement charges, and aid-to-construction charges may vary over time and by location, Owners are responsible for contacting UTILITIES' Customer Contract Administration at (719) 668-8111 to ascertain which fees or charges apply to the Property in advance of development of the Property.

B. Dedications and Easements: Notwithstanding anything contained in Article XI of this Agreement to the contrary, Owners, at Owners' sole cost and expense, shall dedicate by plat and/or convey by recorded document, all property (real and personal) and easements that UTILITIES determines are required for any utility-system facilities necessary to serve the Property or to ensure development of an integrated utility system. UTILITIES shall determine the location and size of all property necessary to be dedicated or otherwise conveyed.

Owners shall provide UTILITIES all written, executed conveyances prior to or at the time of platting or prior to the development of the Property as determined by UTILITIES.

Further, all dedications and conveyances of real property must comply with the City Code, the City Charter, and UTILITIES Tariffs, URRs, and Standards, and shall be subject to UTILITIES' environmental review. Neither the City nor UTILITIES has any obligation to accept any real property interests. All easements by separate instrument shall be conveyed using UTILITIES' then-current Permanent Easement Agreement form without modification unless approved by UTILITIES.

If Owners, with prior written approval by UTILITIES, relocate, require relocation, or alter any existing utility facilities within the Property, then the relocation or alteration of these facilities shall be at the Owners' sole cost and expense. If UTILITIES determines that Owners' relocation or alteration requires new or updated easements, then Owners shall convey those easements prior to relocating or altering the existing utility facilities using UTILITIES' then-current Permanent Easement Agreement form without modification unless approved by UTILITIES. UTILITIES will only relocate existing gas or electric facilities during time frames and in a manner that UTILITIES determines will minimize outages and loss of service.

C. Extension of Utility Facilities by UTILITIES:

1. Natural Gas and Electric Facilities: Subject to the provisions of this Article, City Code, and UTILITIES Tariffs, URRs, and Standards, UTILITIES will extend electric and gas service to the Property if UTILITIES, in its sole discretion, determines there will be no adverse effect to any Utility Service or utility easement. Owners shall cooperate with UTILITIES to ensure that any extension of gas or electric facilities to serve the Property will be in accordance with City Code and UTILITIES Tariffs, URRs, and Standards. UTILITIES, in its sole discretion, may require Owners to enter into a Revenue Guarantee Contract for the extension of any electric service or facilities, including any necessary electric transmission or substation facilities. If any portion of the Property is located outside UTILITIES' electric service territory prior to annexation, then upon annexation:
 - a. Owners shall be solely responsible for providing the just compensation for electric distribution facilities

and service rights specified in C.R.S. §§ 40-9.5-204 plus all costs and fees, including but not limited to, attorneys' fees that UTILITIES incurs as a result of or associated with the acquisition of such electric service territory; and

- b. Owners shall be solely responsible for all costs: (1) to remove any existing electric distribution facilities within the Property that were previously installed by the then-current electric service provider ("Existing Facilities"); and (2) to convert any overhead electric lines to underground service lines ("Conversion") as determined by UTILITIES.
- c. Within 30 days of Owners' receipt of an invoice for the following:
 1. Owners shall pay the former electric service provider, directly, for the just compensation specified in C.R.S. §§ 40-9.5-204 (1) (a) and 40-9.5-204 (1) (b); and
 2. If the former electric service provider removes the Existing Facilities, then Owners shall pay the former electric service provider directly for the removal of any Existing Facilities.
 3. Further, Owners shall pay UTILITIES the just compensation specified in C.R.S. §§ 40-9.5-204 (1) (c) and 40-9.5-204 (1) (d) within 30 days of Owners' receipt of an invoice for such costs.
 4. Owners shall also pay for any Conversion required by UTILITIES as a result of such annexation concurrent with the execution of a contract between the Owners and UTILITIES that specifies the terms of Conversion.
2. Water and Wastewater Facilities: In accordance with City Code, UTILITIES shall be responsible for the construction of centralized water and wastewater treatment facilities needed to serve the Property. In the event UTILITIES or other developers design and construct other water or wastewater system improvements UTILITIES determines are needed to ensure an integrated water or wastewater system is available to serve the Property, Owners shall be required to pay Owner's pro rata share of cost recovery for the engineering, materials, and installation costs incurred by UTILITIES or the other developer in its design, construction, upgrade, or improvement of any water pump stations, water suction storage facilities, water transmission and distribution pipelines, or other water system facilities and appurtenances and any wastewater pump stations, wastewater pipeline facilities, or other wastewater collection facilities and appurtenances.

D. Water and Wastewater System Extensions by Owners: Owners must extend, design, and construct all potable and non-potable water system facilities and appurtenances, and all wastewater collection system facilities, wastewater pump stations, and any water or wastewater service lines to and within the Property at Owners' sole cost and expense in accordance with City Code and UTILITIES' Tariffs, URRs, and Standards in effect at the time of each specific request for water or wastewater service. Consistent with City Code § 7.7.1102 (B), Owners shall complete the design and installation, and obtain preliminary acceptance of such utility facilities, prior to UTILITIES' approval of Owners' water and wastewater service requests. Notwithstanding the above requirements, UTILITIES may enter into cost-sharing agreements with Owners for water and wastewater system expansions based on a determination of benefit to UTILITIES, in UTILITIES' sole discretion.

E. Limitation of Applicability: The provisions of this Agreement set forth the requirements of the City and UTILITIES in effect at the time of annexation of the Property. These provisions shall not be construed as a limitation upon the authority of the City or UTILITIES to adopt different ordinances, rules, regulations, resolutions, policies or codes which change any of the provisions set forth in this Agreement so long as these provisions apply to the City generally and are in accord with the then-current tariffs, rates, regulations and policies of UTILITIES. City Code, UTILITIES' Tariffs, URRs and Standards shall govern the use of all Utilities Services.

F. Southeastern Colorado Water Conservancy District: Notice is hereby provided that upon annexation, and as a condition of receiving water service from UTILITIES, the Property must be included in the boundaries of the Southeastern Colorado Water Conservancy District ("District") pursuant to C.R.S. § 37-45-136 (3.6) as may be amended, and the rules and procedures of the District. Further, notice is hereby provided that, after inclusion of the Property into the boundaries of the District, the Property shall be subject to a property tax mill

levy or other payment in lieu of taxes for the purposes of meeting the financial obligations of the District. Owners acknowledge that water service for the Property will not be made available by UTILITIES until the Property is formally included within the boundaries of the District. District inclusion requires consent by the Bureau of Reclamation ("Reclamation"). Owners shall be responsible for taking all actions necessary for inclusion of the Property into the boundaries of the District, including but not limited to, any action required to obtain Reclamation's consent to include the Property into the District.

VII.
WATER RIGHTS

As provided in the Special Warranty Deed and Irrevocable Consent to the Appropriation, Withdrawal and Use of Groundwater ("Deed"), which is attached to this Agreement and hereby incorporated by reference, Owners grant to the City, all right, title and interest to any and all groundwater underlying or appurtenant to and used upon the Property, and any and all other water rights appurtenant to the Property (collectively referred to as "the Water Rights"), together with the sole and exclusive right to use the Water Rights and all rights of ingress and egress required by the City to appropriate, withdraw and use the Water Rights. The Deed conveying the Water Rights shall be executed by the Owners concurrently with this Agreement and shall be made effective upon the date of the City Council's final approval of the annexation of the Property. The Deed shall be recorded concurrent with the recording of the annexation agreement, annexation plat, and annexation ordinance at the El Paso County Clerk and Recorder's office.

Furthermore, pursuant to C.R.S. § 37-90-137(4), as now in effect or hereafter amended, on behalf of Owners and all successors in title, Owners irrevocably consent to the appropriation, withdrawal and use by the City of all groundwater underlying or appurtenant to and used upon the Property.

In the event the City chooses to use or further develop the Water Rights that have been conveyed, Owners agree to provide any and all easements required by the City prior to the construction and operation of any City well or water rights related infrastructure on the Property. Wells constructed by the City outside the Property may withdraw groundwater under Owners' Property without additional consent from Owners.

Upon annexation of the Property, any wells or groundwater developed by Owners prior to annexation will become subject to UTILITIES's applicable Tariffs, URRs, Standards, and rates as amended in the future. Owners' uses of groundwater shall be subject to approval by the City and UTILITIES, and shall be consistent with City Code, UTILITIES' Tariffs, URRs, Standards, and the City's resolutions and policies for the use of groundwater now in effect or as amended in the future. No commingling of well and City water supply will be permitted.

VIII.
FIRE PROTECTION

The Owners understands and acknowledges that the Property may be excluded from the boundaries of the Fire District under the provisions applicable to special districts, Article 1 of Title 32 C.R.S., and as otherwise provided by law. Upon request by the City, the person who owns the Property at the time of the City's request agrees to apply to the Fire District for exclusion of the Property from the Fire District. The Owners understands and acknowledges that the Owners, its heirs, assigns and successors in title are responsible for seeking any exclusion from the Fire District and that the City has no obligation to seek exclusion of any portion of the Property from the Fire District.

IX.
FIRE PROTECTION FEE

The Owners shall be subject to the requirements of City Code § 7.5.1901 *et seq.* regarding Citywide Development Impact Fees.

X.
POLICE SERVICE FEE

The Owners shall be subject to the requirements of City Code § 7.5.1901 *et seq.* regarding Citywide Development Impact Fees.

XI.
PUBLIC LAND DEDICATION

Owners agrees that all land dedicated or deeded to the City for municipal or utility purposes, including park and school sites, shall be platted and all applicable development fee obligations paid.

Owners agrees that any land dedicated or deeded to the City for municipal or utility purposes, including park and school sites, shall be free and clear of liens and encumbrances. All fees that would be applicable to the platting of land that is to be dedicated to the City (including park and school land) shall be paid by Owners. Fees will be required on the gross acreage of land dedicated as of the date of the dedication in accord with the fee requirements in effect as of the date of the dedication. All dedications shall be platted by the Owners prior to conveyance, unless otherwise waived by the City.

In addition, any property dedicated by deed shall be subject to the following:

- A. All property deeded to the City shall be conveyed by General Warranty Deed.
- B. Owners shall convey the property to the City within 30 days of the City's written request.
- C. Any property conveyed to the City shall be free and clear of any liens and/or encumbrances.
- D. All property taxes levied against the property shall be paid by the Owners through the date of conveyance to the City.
- E. An environmental assessment of the property must be provided to the City for review and approval, unless the City waives the requirement of an assessment. Approval or waiver of the assessment must be in writing and signed by an authorized representative or official of the City.

XII.
SPECIAL PROVISIONS

Not applicable.

XIII.
ORDINANCE COMPLIANCE

Owners will comply with all tariffs, policies, rules, regulations, ordinances, resolutions and codes of the City which now exist or are amended or adopted in the future, including those related to the subdivision and zoning of land, except as expressly modified by this Agreement. This Agreement shall not be construed as a limitation upon the authority of the City to adopt different tariffs, policies, rules, regulations, ordinances, resolutions and codes which change any of the provisions set forth in this Agreement so long as these apply to the City generally and are uniformly and consistently applied.

XIV.
ASSIGNS AND DEED OF TRUST HOLDERS

Where as used in this Agreement, the term "the Owners" or "Property Owners," shall also mean any of the heirs, executors, personal representatives, transferees, or assigns of the Owners and all these parties shall have the right to enforce and be enforced under the terms of this Agreement as if they were the original parties hereto. Rights to specific refunds or payments contained in this Agreement shall always be to the Owners unless specifically assigned to another person.

Owners affirmatively state that there exist no outstanding deeds of trust or other similar liens or encumbrances against the Property

XV.
RECORDING

This Agreement shall be recorded with the Clerk and Recorder of El Paso County, Colorado, and constitute a covenant running with the land. This Agreement shall be binding on future assigns of the Owners and all other persons who may purchase land within the Property from the Owners or any persons later acquiring an interest in the Property. Any refunds made under the terms of this Agreement shall be made to the Owners and not subsequent purchasers or assigns of the Property unless the purchase or assignment specifically provides for payment to the purchaser or assignee and a copy of that document is filed with the City.

XVI.
AMENDMENTS

This Agreement may be amended by any party, including their respective successors, transferees, or assigns, and the City without the consent of any other party or its successors, transferees, or assigns so long as the amendment applies only to the property owned by the amending party. For the purposes of this article, an amendment shall be deemed to apply only to property owned by the amending party if this Agreement remains in full force and effect as to property owned by any non-amending party.

Any amendment shall be recorded in the records of El Paso County, shall be a covenant running with the land, and shall be binding on all persons or entities presently possessing or later acquiring an interest in the property subject to the amendment unless otherwise specified in the amendment."

XVII.
HEADINGS

The headings set forth in the Agreement for the different sections of the Agreement are for reference only and shall not be construed as an enlargement or abridgement of the language of the Agreement.

XVIII.
DEFAULT AND REMEDIES

If either Owner or City fails to perform any material obligation under this Agreement, and fails to cure the default within thirty (30) days following notice from the non-defaulting party of that breach, then a breach of this Agreement will be deemed to have occurred and the non-defaulting party will be entitled, at its election, to either cure the default and recover the cost thereof from the defaulting party, or pursue and obtain against the defaulting party an order for specific performance of the obligations under this Agreement and, in either instance, recover any actual damages incurred by the non-defaulting party as a result of that breach, including recovery of its costs and reasonable attorneys' fees incurred in the enforcement of this Agreement, as well as any other remedies provided by law.

XIX.
GENERAL

Except as specifically provided in this Agreement, City agrees to treat Owners and the Property in a non-discriminatory manner relative to the rest of the City. In addition, any consent or approval required in accord with this Agreement from the City shall not be unreasonably withheld, conditioned or delayed. City agrees not to impose any fee, levy or tax or impose any conditions upon the approval of development requests, platting, zoning or issuance of any building permits for the Property, or make any assessment on the Property that is not uniformly applied throughout the City, except as specifically provided in this Agreement or authorized pursuant to the City Code. The Police Service Fee, Fire Protection Fee and any other fee provided for in this Agreement shall be in addition to, and not in lieu of, any impact fee or development requirement required by or authorized pursuant to the City Code. If the annexation of the Property or any portion of the Property is challenged by a referendum, all provisions of this Agreement, together with the duties and obligations of each party, shall be suspended, pending the outcome of the referendum election. If the referendum challenge to the annexation results in the disconnection of the Property from the City, then this Agreement and all its provisions shall be null and void and of no further effect. If the referendum challenge fails, then Owners and City shall continue to be bound by all terms and provisions of this Agreement.

XX.
SEVERABILITY

If any provision of this Agreement is for any reason and to any extent held to be invalid or unenforceable, then neither the remainder of the document nor the application of the provisions to other entities, persons or circumstances shall be affected.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement as of the date first written above.

CITY OF COLORADO SPRINGS

BY: _____
City of Colorado Springs Mayor

ATTEST:

BY: _____
Sarah B. Johnson, City Clerk

APPROVED AS TO FORM:

BY: _____
City Attorney's Office

Veterans Villa Operating LLC, a Nebraska limited liability company

By: Joseph A. Zock

Name: Joseph A. Zock

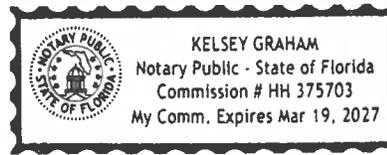
Title: CHAIRMAN - BOARD OF DIRECTORS
(Owner)

ACKNOWLEDGMENT

STATE OF Florida)
COUNTY OF Indian River) ss.

The foregoing instrument was acknowledged before me this 25th day of April, 2023, by Joseph A. Zock, as Chairman for and on behalf of Veterans Villa Operating LLC, a Nebraska limited liability company.

Witness my hand and notarial seal. 3/19/27
My commission expires: Personally known



Kelsey Graham
Notary Public

WVN 9.6 LLC, a Colorado limited liability company

By: Raymond F. O'Sullivan

Name: Raymond F. O'Sullivan

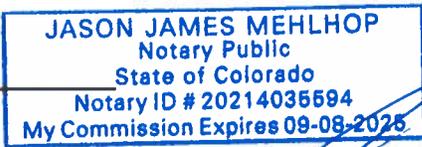
Title: Manager
(Owner)

ACKNOWLEDGMENT

STATE OF COLORADO)
COUNTY OF EL PASO) ss.

The foregoing instrument was acknowledged before me this 28th day of APRIL, 2023, by RAYMOND O'SULLIVAN, as MANAGER for and on behalf of WVN 9.6, LLC, a Colorado limited liability company.

Witness my hand and notarial seal.
My commission expires: 9/8/25



Jason James Mehlhop
Notary Public

PHI Real Estate Services LLC, a Colorado limited liability company

By: *Nick Pannunzio*

Name: NICK PANNUNZIO

Title: PRESIDENT
(Owner)

ACKNOWLEDGMENT

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 27th day of APRIL, 2023 by NICK PANNUNZIO, as PRESIDENT for and on behalf of PHI Real Estate Services LLC, a Colorado limited liability company.



Witness my hand and notarial seal.
My commission expires: 4/15/2027

Roy Scott Baughman
Notary Public

Kyungsoon Folan
(Owner)

ACKNOWLEDGMENT

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____, as _____ for and on behalf of Kyungsoon Folan.

Witness my hand and notarial seal.
My commission expires:

Notary Public

EXHIBIT A

LEGAL DESCRIPTION

LEGAL DESCRIPTION:

A TRACT OF LAND LOCATED IN A PORTION OF SECTION 8 AND SECTION 9, BOTH IN TOWNSHIP 15 SOUTH, RANGE 65 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTH 1/4 CORNER OF SAID SECTION 9, POINT BEING ON THE WESTERLY LINE OF COLORADO CENTRE FOREIGN TRADE ZONE AND BUSINESS PARK FILING NO.1 SUBDIVISION RECORDED IN PLAT BOOK B-4, PAGE 47, ALSO POINT BEING THE SOUTHEAST CORNER OF LOT 7, COLORADO SPRINGS AIRPORT FILING NO.1D SUBDIVISION RECORDED AT RECEPTION NO. 219714312, POINT ALSO BEING ON THE WEST LINE OF ANNEXATION PLAT-COLORADO CENTRE NO.1, RECORDED IN PLAT BOOK D-4, PAGE 73, ALL OF THE RECORDS OF EL PASO COUNTY;

THENCE $500^{\circ}19'32''$ E ON THE NORTH/SOUTH 1/4 LINE AND SAID WESTERLY LINE OF SAID COLORADO CENTRE FOREIGN TRADE ZONE AND BUSINESS PARK FILING NO.1, AND WEST LINE OF SAID ANNEXATION PLAT-COLORADO CENTRE NO.1, A DISTANCE OF 217.81 FEET;

THENCE $500^{\circ}19'32''$ E CONTINUING ON THE NORTH/SOUTH 1/4 LINE AND SAID WESTERLY LINE OF SAID COLORADO CENTRE FOREIGN TRADE ZONE AND BUSINESS PARK FILING NO.1, A DISTANCE OF 1,186.40 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF BRADLEY ROAD AS RECORDED IN BOOK 5307 AT PAGE 1472 OF THE RECORDS OF SAID EL PASO COUNTY, POINT ALSO BEING ON THE WEST LINE OF SAID ANNEXATION PLAT-COLORADO CENTRE NO.1;

THENCE $500^{\circ}19'32''$ E CONTINUING ON THE NORTH/SOUTH 1/4 LINE AND THE WEST LINE OF SAID ANNEXATION PLAT-COLORADO CENTRE NO.1 A DISTANCE OF 210.00 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF BRADLEY ROAD AS RECORDED IN BOOK 5307 AT PAGE 1472 OF THE RECORDS OF SAID EL PASO COUNTY;

THE FOLLOWING (6) SIX COURSES ARE ON SAID SOUTHERLY RIGHT-OF-WAY LINE OF BRADLEY ROAD;

- 1) THENCE $S89^{\circ}30'27''$ W A DISTANCE OF 3.67 FEET TO A POINT OF CURVE TO THE LEFT;
- 2) THENCE ON THE ARC OF SAID CURVE, HAVING A RADIUS OF 2,759.79 FEET, A DELTA ANGLE OF $15^{\circ}09'41''$, AN ARC LENGTH OF 730.29 FEET, WHOSE LONG CHORD BEARS $S81^{\circ}55'37''$ W A DISTANCE OF 728.16 FEET;
- 3) THENCE $S74^{\circ}20'46''$ W A DISTANCE OF 952.02 FEET TO A POINT OF CURVE TO THE RIGHT;
- 4) THENCE ON THE ARC OF SAID CURVE, HAVING A RADIUS OF 2,969.79 FEET, A DELTA ANGLE OF $12^{\circ}59'05''$, AN ARC LENGTH OF 673.03 FEET, WHOSE LONG CHORD BEARS $S80^{\circ}50'19''$ W A DISTANCE OF 671.59 FEET;
- 5) THENCE $S87^{\circ}19'50''$ W A DISTANCE OF 53.06 FEET TO A POINT TO CURVE TO THE LEFT;
- 6) THENCE ON THE ARC OF SAID CURVE, HAVING A RADIUS OF 150.00 FEET, A DELTA ANGLE OF $87^{\circ}48'56''$, AN ARC LENGTH OF 229.90 FEET, WHOSE LONG CHORD BEARS $S43^{\circ}25'20''$ W A DISTANCE OF 208.05 FEET;

THENCE $S89^{\circ}30'50''$ W A DISTANCE OF 210.00 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF POWERS BOULEVARD (SH 21) AS RECORDED IN BOOK 5307 AT PAGE 1472 OF THE RECORDS OF SAID EL PASO COUNTY;

THE FOLLOWING (2) TWO COURSES ARE ON SAID WESTERLY RIGHT-OF-WAY LINE OF POWERS BOULEVARD (SH21);

- 1) THENCE N00°29'10"W A DISTANCE OF 138.49 FEET TO A POINT OF CURVE TO THE LEFT;
- 2) THENCE ON THE ARC OF SAID CURVE, HAVING A RADIUS OF 1,895.00 FEET, A DELTA ANGLE OF 89°41'41", AN ARC LENGTH OF 2,966.56 FEET, WHOSE LONG CHORD BEARS N45°20'01"W A DISTANCE OF 2,672.79 FEET;

THENCE N00°10'51"W A DISTANCE OF 210.02 FEET TO A POINT ON THE NORTH LINE OF THE NORTHEAST ¼ OF SAID SECTION 8, POINT ALSO BEING ON THE SOUTHERLY LINE OF SAID LOT 7, COLORADO SPRINGS AIRPORT FILING NO.1D, POINT ALSO BEING ON THE SOUTH LINE OF ANNEXATION PLAT-MUNICIPAL AIRPORT ADDITION NO. 7 RECORDED IN PLAT BOOK E-3, PAGE 21, OF THE RECORDS OF EL PASO COUNTY;

THE FOLLOWING (2) TWO COURSES ARE ON THE SOUTHERLY LINE OF SAID LOT 7, COLORADO SPRINGS AIRPORT FILING NO.1D;

- 1) THENCE N89°34'04"E ON SAID NORTH LINE OF THE NORTHEAST ¼ OF SAID SECTION 8, A DISTANCE OF 1,967.80 FEET TO THE NORTHWEST CORNER OF SAID SECTION 9 AND THE SOUTHEAST CORNER OF SAID ANNEXATION PLAT-MUNICIPAL AIRPORT ADDITION NO. 7, POINT BEING AT THE SOUTHWEST CORNER OF ANNEXATION PLAT-MUNICIPAL AIRPORT ADDITION NO. 9, RECORDED IN PLAT BOOK M-3, PAGE 27 OF THE RECORDS OF EL PASO COUNTY;
- 2) THENCE S89°51'23"E ON THE NORTH LINE OF THE NORTHWEST ¼ OF SAID SECTION 9 AND THE SOUTHERLY LINE OF SAID ANNEXATION PLAT-MUNICIPAL AIRPORT ADDITION NO. 9, A DISTANCE OF 2,636.19 FEET TO THE POINT OF BEGINNING.

THE ABOVE TRACT OF LAND CONTAINS 6,308,390 SQUARE FEET OR 144.821 ACRES, MORE OR LESS.



SPECIAL WARRANTY DEED AND IRREVOCABLE CONSENT
TO THE APPROPRIATION, WITHDRAWAL AND USE OF GROUNDWATER
Villages at Waterview North Addition No. 1

CPR Entitlements LLC, whose address is 31 N. Tejon St. Suite 500 Colorado Springs, Co. 80903 Veterans Villa Operating LLC, whose address is 17007 Marcy St. Suite 3, Omaha, NE. 68116, WVN 9.6 LLC, whose address is 17 S. Wahsatch Ave. Colorado Springs, Co. 80903 PHI Real Estate Services LLC, whose address is 200 W. 1st St. Suite 200, Pueblo, Co. 81003 and Kyungsoon Folan ("Grantor(s)"), whose address is 17 S. Wahsatch Ave. Colorado Springs, Co. 80903, in consideration of the benefits received pursuant to the Villages at Waterview North Addition No. 1 Annexation Agreement dated _____ ("Annexation Agreement"), which is executed by Grantor(s) concurrently with this Special Warranty Deed, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, sell and convey to the City of Colorado Springs, Colorado ("Grantee"), whose address is 30 S. Nevada Avenue, Colorado Springs, CO 80903, all right, title, and interest in any and all groundwater underlying or appurtenant to and used upon the property described in Exhibit A ("Property") and any and all other water rights appurtenant to the Property collectively referred to as the "Water Rights", together with the sole and exclusive right to use the Water Rights and all rights of ingress and egress required by the Grantee to appropriate, withdraw and use the Water Rights; and Grantor(s) warrants title to the same against all claims arising by, through, or under said Grantor(s). The Water Rights include but are not limited to those described in Exhibit B.

Furthermore, pursuant to C.R.S. § 37-90-137(4) as now exists or may later be amended, Grantor(s), on behalf of Grantor(s) and any and all successors in title, hereby irrevocably consent in perpetuity to the appropriation, withdrawal and use by Grantee of all groundwater underlying or appurtenant to and used upon the Property.

This Special Warranty Deed and the consent granted herein shall be effective upon the date of the City of Colorado Springs-City Council's final approval of the Annexation Agreement.

Executed this 27 day of APRIL, 2023.

GRANTOR(s): CPR Entitlements LLC, a Colorado limited liability company

By: [Signature]

Name: P.A. Koscielski

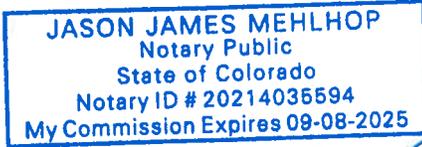
Its: MANAGER

STATE OF COLORADO)
) ss.

COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 27th day of APRIL, 2023
by PA Koscielski, Grantor.

Witness my hand and official seal.
My Commission Expires: 09/08/2025



(SEAL) [Signature]
Notary Public

Veterans Villa Operating LLC, a Nebraska limited liability company
By: [Signature]

Name: Joseph A Zock

Its: CHAIRMAN - BOARD OF DIRECTORS

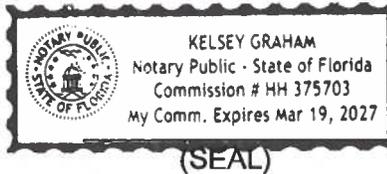
STATE OF Florida)

COUNTY OF Indian River) ss.

The foregoing instrument was acknowledged before me this 25th day of April, 2023, by Veterans Villa Operating LLC, a Nebraska limited liability company, Grantor.

Witness my hand and official seal. 3/19/27
My Commission Expires: 3/19/27

Personally known



[Signature]
Notary Public

WVN 9.6 LLC, a Colorado limited liability company
By: [Signature]

Name: Raymond F. O'Sullivan

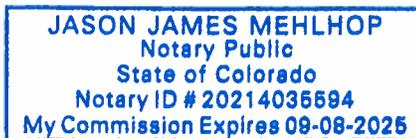
Its: Manager

STATE OF COLORADO)

COUNTY OF EL PASO) ss.

The foregoing instrument was acknowledged before me this 28 day of APRIL, 2023, by WVN 9.6 LLC, a Colorado limited liability company, Grantor.

Witness my hand and official seal.
My Commission Expires: 9/8/25



(SEAL)

[Signature]
Notary Public

PHI Real Estate Services LLC, a Colorado limited liability company

By: Nick Pannunzio

Name: NICK PANNUNZIO

Its: PRESIDENT

STATE OF COLORADO)

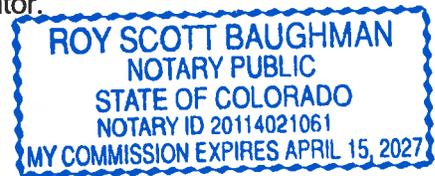
) ss.

COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 27th day of APRIL, 2023, by PHI Real Estate Services LLC, a Colorado limited liability company, Grantor.

Witness my hand and official seal.

My Commission Expires: 4/15/2027



Roy Scott Baughman
(SEAL) Notary Public

Kyungsoon Folan

By: _____

Name: _____

Its: _____

STATE OF _____)

) ss.

COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by Kyungsoon Folan, Grantor.

Witness my hand and official seal.

My Commission Expires: _____

(SEAL) Notary Public

Accepted by the City of Colorado Springs:

By: _____ this _____ day of _____, 20____
Real Estate Services Manager

By: _____ this _____ day of _____, 20____.
Colorado Springs Utilities Customer Utility Connections Manager

Approved as to Form:

By: _____ Date: _____
City Attorney's Office

Exhibit A
LEGAL DESCRIPTION
To the

Special Warranty Deed and Irrevocable Consent to the Appropriation, Withdrawal and Use of Groundwater executed by CPR Entitlements LLC, whose address is 31 N. Tejon St. Suite 500 Colorado Springs, Co. 80903 Veterans Villa Operating LLC, whose address is 17007 Marcy St. Suite 3, Omaha, NE. 68116, WVN 9.6 LLC, whose address is 17 S. Wahsatch Ave. Colorado Springs, Co. 80903 PHI Real Estate Services LLC, whose address is 200 W. 1st St. Suite 200, Pueblo, Co. 81003 and Kyungsoon Folan ("Grantor(s)"), whose address is 17 S. Wahsatch Ave. Colorado Springs, Co. 80903, Grantor(s) on _____.

LEGAL DESCRIPTION:

A TRACT OF LAND LOCATED IN A PORTION OF SECTION 8 AND SECTION 9, BOTH IN TOWNSHIP 15 SOUTH, RANGE 65 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTH 1/4 CORNER OF SAID SECTION 9, POINT BEING ON THE WESTERLY LINE OF COLORADO CENTRE FOREIGN TRADE ZONE AND BUSINESS PARK FILING NO.1 SUBDIVISION RECORDED IN PLAT BOOK B-4, PAGE 47, ALSO POINT BEING THE SOUTHEAST CORNER OF LOT 7, COLORADO SPRINGS AIRPORT FILING NO.1D SUBDIVISION RECORDED AT RECEPTION NO. 219714312, POINT ALSO BEING ON THE WEST LINE OF ANNEXATION PLAT-COLORADO CENTRE NO.1, RECORDED IN PLAT BOOK D-4, PAGE 73, ALL OF THE RECORDS OF EL PASO COUNTY;

THENCE 500°19'32"E ON THE NORTH/SOUTH 1/4 LINE AND SAID WESTERLY LINE OF SAID COLORADO CENTRE FOREIGN TRADE ZONE AND BUSINESS PARK FILING NO.1, AND WEST LINE OF SAID ANNEXATION PLAT-COLORADO CENTRE NO.1, A DISTANCE OF 217.81 FEET;

THENCE 500°19'32"E CONTINUING ON THE NORTH/SOUTH 1/4 LINE AND SAID WESTERLY LINE OF SAID COLORADO CENTRE FOREIGN TRADE ZONE AND BUSINESS PARK FILING NO.1, A DISTANCE OF 1,186.40 FEET TO THE NORTHERLY RIGHT-OF-WAY OF LINE OF BRADLEY ROAD AS RECORDED IN BOOK 5307 AT PAGE 1472 OF THE RECORDS OF SAID EL PASO COUNTY, POINT ALSO BEING ON THE WEST LINE OF SAID ANNEXATION PLAT-COLORADO CENTRE NO.1;

THENCE 500°19'32"E CONTINUING ON THE NORTH/SOUTH 1/4 LINE AND THE WEST LINE OF SAID ANNEXATION PLAT-COLORADO CENTRE NO.1 A DISTANCE OF 210.00 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF BRADLEY ROAD AS RECORDED IN BOOK 5307 AT PAGE 1472 OF THE RECORDS OF SAID EL PASO COUNTY;

THE FOLLOWING (6) SIX COURSES ARE ON SAID SOUTHERLY RIGHT-OF-WAY LINE OF BRADLEY ROAD;

- 1) THENCE S89°30'27"W A DISTANCE OF 3.67 FEET TO A POINT OF CURVE TO THE LEFT;
- 2) THENCE ON THE ARC OF SAID CURVE, HAVING A RADIUS OF 2,759.79 FEET, A DELTA ANGLE OF 15°09'41", AN ARC LENGTH OF 730.29 FEET, WHOSE LONG CHORD BEARS S81°55'37"W A DISTANCE OF 728.16 FEET;
- 3) THENCE S74°20'46"W A DISTANCE OF 952.02 FEET TO A POINT OF CURVE TO THE RIGHT;
- 4) THENCE ON THE ARC OF SAID CURVE, HAVING A RADIUS OF 2,969.79 FEET, A DELTA ANGLE OF 12°59'05", AN ARC LENGTH OF 673.03 FEET, WHOSE LONG CHORD BEARS S80°50'19"W A DISTANCE OF 671.59 FEET;
- 5) THENCE S87°19'50"W A DISTANCE OF 53.06 FEET TO A POINT TO CURVE TO THE LEFT;
- 6) THENCE ON THE ARC OF SAID CURVE, HAVING A RADIUS OF 150.00 FEET, A DELTA ANGLE OF 87°48'56", AN ARC LENGTH OF 229.90 FEET, WHOSE LONG CHORD BEARS S43°25'20"W A DISTANCE OF 208.05 FEET;

THENCE S89°30'50"W A DISTANCE OF 210.00 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF POWERS BOULEVARD (SH 21) AS RECORDED IN BOOK 5307 AT PAGE 1472 OF THE RECORDS OF SAID EL PASO COUNTY;

THE FOLLOWING (2) TWO COURSES ARE ON SAID WESTERLY RIGHT-OF-WAY LINE OF POWERS BOULEVARD (SH21);

- 1) THENCE N00°29'10"W A DISTANCE OF 138.49 FEET TO A POINT OF CURVE TO THE LEFT;
- 2) THENCE ON THE ARC OF SAID CURVE, HAVING A RADIUS OF 1,895.00 FEET, A DELTA ANGLE OF 89°41'41", AN ARC LENGTH OF 2,966.56 FEET, WHOSE LONG CHORD BEARS N45°20'01"W A DISTANCE OF 2,672.79 FEET;

THENCE N00°10'51"W A DISTANCE OF 210.02 FEET TO A POINT ON THE NORTH LINE OF THE NORTHEAST ¼ OF SAID SECTION 8, POINT ALSO BEING ON THE SOUTHERLY LINE OF SAID LOT 7, COLORADO SPRINGS AIRPORT FILING NO.1D, POINT ALSO BEING ON THE SOUTH LINE OF ANNEXATION PLAT-MUNICIPAL AIRPORT ADDITION NO. 7 RECORDED IN PLAT BOOK E-3, PAGE 21, OF THE RECORDS OF EL PASO COUNTY;

THE FOLLOWING (2) TWO COURSES ARE ON THE SOUTHERLY LINE OF SAID LOT 7, COLORADO SPRINGS AIRPORT FILING NO.1D;

- 1) THENCE N89°34'04"E ON SAID NORTH LINE OF THE NORTHEAST ¼ OF SAID SECTION 8, A DISTANCE OF 1,967.80 FEET TO THE NORTHWEST CORNER OF SAID SECTION 9 AND THE SOUTHEAST CORNER OF SAID ANNEXATION PLAT-MUNICIPAL AIRPORT ADDITION NO. 7, POINT BEING AT THE SOUTHWEST CORNER OF ANNEXATION PLAT-MUNICIPAL AIRPORT ADDITION NO. 9, RECORDED IN PLAT BOOK M-3, PAGE 27 OF THE RECORDS OF EL PASO COUNTY;
- 2) THENCE S89°51'23"E ON THE NORTH LINE OF THE NORTHWEST ¼ OF SAID SECTION 9 AND THE SOUTHERLY LINE OF SAID ANNEXATION PLAT-MUNICIPAL AIRPORT ADDITION NO. 9, A DISTANCE OF 2,636.19 FEET TO THE POINT OF BEGINNING.

THE ABOVE TRACT OF LAND CONTAINS 6,308,390 SQUARE FEET OR 144.821 ACRES, MORE OR LESS.





The printed portions of this form except differentiated additions, have been approved by the Colorado Real Estate Commission (TD72-8-10) (Mandatory 1-11)

IF THIS FORM IS USED IN A CONSUMER CREDIT TRANSACTION, CONSULT LEGAL COUNSEL. THIS IS A LEGAL INSTRUMENT. IF NOT UNDERSTOOD, LEGAL, TAX OR OTHER COUNSEL SHOULD BE CONSULTED BEFORE SIGNING.

**Deed of Trust
(Due on Transfer – Strict)**

THIS DEED OF TRUST is made on this day of **October 31, 2022**, between **CPR ENTITLEMENTS, LLC, A COLORADO LIMITED LIABILITY COMPANY** (Borrower), whose address is **17 S WAHSATCH AVE, COLORADO SPRINGS, CO 80903**; and the Public Trustee of the County in which the Property (see § 1) is situated (Trustee); for the benefit of **MYRAS, LLC, A COLORADO LIMITED LIABILITY COMPANY** (Lender), whose address is **9230 GRAND CORDERA PKWY, COLORADO SPRINGS, CO 80924**

Borrower and Lender covenant and agree as follows:

- 1. **Property in Trust.** Borrower, in consideration of the indebtedness herein recited and the trust herein created, hereby grants and conveys to Trustee in trust, with power of sale, the following legally described property located in the County of El Paso, State of Colorado:

See attached "Exhibit A"

known as No. **15.51 ACRES MORE OR LESS, COLORADO SPRINGS, CO 80925**, (Property Address), together with all its appurtenances (Property).

- 2. **Note: Other Obligations Secured.** This Deed of Trust is given to secure to Lender:

2.1. The repayment of the indebtedness evidenced by Borrower's note (Note) dated **October 31, 2022**. In the principal sum of **Six Hundred Thousand and 00/100 Dollars (U.S. \$600,000.00)**, with interest on the unpaid principal balance from **10/31/2022**, until paid, at the rate of **15.0000** percent per annum, with principal and interest payable at **9230 GRAND CORDERA PKWY, COLORADO SPRINGS, CO 80924** or such other place as Lender may designate, in **1** payments of **Six Hundred + Ninety Thousand + 00/100 Dollars (U.S. \$699,000.00)**, due on the **10/30/2023** beginning **October 30, 2023**; such payments to continue until the entire indebtedness evidenced by said Note is fully paid; however, if not sooner paid, the entire principal amount outstanding and accrued interest thereon shall be due and payable on **October 27, 2023** **BORROWER HAS OPTION TO EXTEND THE NOTE FOR ONE YEAR "NOTE EXTENSION" AFTER THE ORIGINAL "INITIAL DUE DATE" OF THE NOTE, HOWEVER IN THE EVENT OF AN EXTENSION PAYMENT OF " FIFTY THOUSAND US DOLLARS (\$50,000.00 AS PARTIAL INTEREST ACCURED) BEFORE THE "NOTE EXTENSION" SHALL BE PAYABLE TO LENDER UPON EXECUTION OF AN AMENDMENT TO EXTEND THE DUE DATE OF THE NOTE.**; and Borrower is to pay to Lender a late charge of **18.0000%** of any payment not received by Lender within **5** days after payment is due; and Borrower has the right to prepay the principal amount outstanding under said Note, in whole or in part, at any time without penalty except **BORROWER MAY PREPAY THIS NOTE PARTIALLY OR IN FULL AFTER SIX (6) MONTHS.**

2.2. The payment of all other sums, with interest thereon at **18.0000%** per annum, disbursed by Lender in accordance with this Deed of Trust to protect the security of this Deed of Trust; and

2.3. The performance of the covenants and agreements of Borrower herein contained.

- 3. **Title.** Borrower covenants that Borrower owns and has the right to grant and convey the Property, and warrants title to the same, subject to general real estate taxes for the current year, easements of record or in existence, and recorded declarations, restrictions, reservations and covenants, if any, as of this date and subject to
- 4. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, and late charges as provided in the Note and shall perform all of Borrower's other covenants contained in the Note.
- 5. **Application of Payments.** All payments received by Lender under the terms hereof shall be applied by Lender first in payment of amounts due pursuant to § 23 (Escrow Funds for Taxes and Insurance), then to amounts disbursed by Lender pursuant to § 9 (Protection of Lender's Security), and the balance in accordance with the terms and conditions of the Note.
- 6. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any prior deed of trust and any other prior liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may have or attain a priority over this Deed of Trust, and leasehold payments or ground rents, if any, in the manner set out in § 23 (Escrow Funds for Taxes and Insurance) or, if not required to be paid in such manner, by Borrower making payment when due, directly to the payee thereof. Despite the foregoing, Borrower shall not be required to make payments otherwise required by this section if Borrower, after notice to Lender, shall in good faith contest such obligation by, or defend enforcement of such obligation in, legal proceedings which operate to prevent the enforcement of the obligation or forfeiture of the Property or any part thereof, only upon Borrower making all such contested payments and other payments as ordered by the court to the registry of the court in which such proceedings are filed.

Borrower(s)



55708431

Lender(s)

7. **Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire or hazards included within the term "extended coverage" in an amount at least equal to the lesser of (a) the insurable value of the Property or (b) an amount sufficient to pay the sums secured by this Deed of Trust as well as any prior encumbrances on the Property. All of the foregoing shall be known as "Property Insurance".

The insurance carrier providing the insurance shall be qualified to write Property Insurance in Colorado and shall be chosen by Borrower subject to Lender's right to reject the chosen carrier for reasonable cause. All insurance policies and renewals thereof shall include a standard mortgage clause in favor of Lender, and shall provide that the insurance carrier shall notify Lender at least ten (10) days before cancellation, termination or any material change of coverage. Insurance policies shall be furnished to Lender at or before closing. Lender shall have the right to hold the policies and renewals thereof.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Deed of Trust is not thereby impaired. If such restoration or repair is not economically feasible, or if the security of this Deed of Trust would be impaired, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is given in accordance with § 16 (Notice) by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Any such application of proceeds to principal shall not extend or postpone the due date of the installments referred to in §§ 4 (Payment of Principal and Interest) and 23 (Escrow Funds for Taxes and Insurance) or change the amount of such installments. Notwithstanding anything herein to the contrary, if under § 18 (Acceleration; Foreclosure; Other Remedies) the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Deed of Trust immediately prior to such sale or acquisition.

All of the rights of Borrower and Lender hereunder with respect to insurance carriers, insurance policies and insurance proceeds are subject to the rights of any holder of a prior deed of trust with respect to said insurance carriers, policies and proceeds.

8. **Preservation and Maintenance of Property.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Deed of Trust is on a leasehold. Borrower shall perform all of Borrower's obligations under any declarations, covenants, by-laws, rules, or other documents governing the use, ownership or occupancy of the Property.
9. **Protection of Lender's Security.** Except when Borrower has exercised Borrower's rights under § 6 above, if Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if a default occurs in a prior lien, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, with notice to Borrower if required by law, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to:
- 9.1. any general or special taxes or ditch or water assessments levied or accruing against said property;
 - 9.2. the premiums on any insurance necessary to protect any improvements comprising a part of the Property;
 - 9.3. sums due on any prior lien or encumbrance on the Property;
 - 9.4. if the Property is a leasehold or is subject to a lease, all sums due under such lease;
 - 9.5. the reasonable costs and expenses of defending, protecting, and maintaining the Property and Lender's interest in the Property, including repair and maintenance costs and expenses, costs and expenses of protecting and securing the Property, receiver's fees and expenses, inspection fees, appraisal fees, court costs, attorney fees and costs, and fees and costs of an attorney in the employment of the Lender or holder of the certificate of purchase;
 - 9.6. all other costs and expenses allowable by the evidence of debt or this Deed of Trust; and
 - 9.7. such other costs and expenses which may be authorized by a court of competent jurisdiction.

Borrower hereby assigns to Lender any right Borrower may have by reason of any prior encumbrance on the Property or by law or otherwise to cure any default under said prior encumbrance.

Any amounts disbursed by Lender pursuant to this § 9, with interest thereon, shall become additional indebtedness of Borrower secured by this Deed of Trust. Such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and Lender may bring suit to collect any amounts so disbursed plus interest specified in § 2.2 (Note; Other Obligations Secured). Nothing contained in this § 9 shall require Lender to incur any expense or take any action hereunder.

10. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspection of the Property provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefore related to Lender's interest in the Property.
11. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender as herein provided. However, all of the rights of Borrower and Lender hereunder with respect to such proceeds are subject to the rights of any holder of a prior deed of trust. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, the proceeds remaining after taking out any part of the award due any prior lien holder (net award) shall be divided between Lender and Borrower, in the same ratio as the amount of the sums secured by this Deed of Trust immediately prior to the date of taking bears to Borrower's equity in the Property immediately prior to the date of taking. Borrower's equity in the Property means the fair market value of the Property less the amount of sums secured by both this Deed of Trust and all prior liens (except taxes) that are to receive any of the award, all at the value immediately prior to the date of taking.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is given, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this

Borrower(s)

Lender(s)

Deed of Trust.

Any such application of proceeds to principal shall not extend or postpone the due date of the installments referred to in § 4 (Payment of Principal and Interest) and 23 (Escrow Funds for Taxes and Insurance) nor change the amount of such installments.

12. **Borrower Not Released.** Extension of the time for payment or modification of amortization of sums secured by this Deed of Trust granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower, nor Borrower's successors in interest, from the original terms of this Deed of Trust. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Borrower nor Borrower's successors in interest.
13. **Forbearance by Lender Not a Waiver.** Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by law, shall not be a waiver or preclude the exercise of any such right or remedy.
14. **Remedies Cumulative.** Each remedy provided in the Note and this Deed of Trust is distinct from and cumulative to all other rights or remedies under the Note and this Deed of Trust or afforded by law or equity, and may be exercised concurrently, independently or successively.
15. **Successors and Assigns Bound; Joint and Several Liability; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of § 24 (Transfer of the Property; Assumption). All covenants and agreements of Borrower shall be joint and several. The captions and headings of the sections in this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.
16. **Notice.** Except for any notice required by law to be given in another manner, (a) any notice to Borrower provided for in this Deed of Trust shall be in writing and shall be given and be effective upon (1) delivery to Borrower or (2) mailing such notice by first-class U.S. mail, addressed to Borrower at Borrower's address stated herein or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be in writing and shall be given and be effective upon (1) delivery to Lender or (2) mailing such notice by first-class U.S. mail, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Deed of Trust shall be deemed to have been given to Borrower or Lender when given in any manner designated herein.
17. **Governing Law; Severability.** The Note and this Deed of Trust shall be governed by the law of Colorado. In the event that any provision or clause of this Deed of Trust or the Note conflicts with the law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Deed of Trust and Note are declared to be severable.
18. **Acceleration; Foreclosure; Other Remedies.** Except as provided in paragraph 24 (Transfer of the Property; Assumption), upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, or upon any default in a prior lien upon the Property, (unless Borrower has exercised Borrower's rights under paragraph 6 (Prior Mortgages and Deeds of Trust; Charges; Liens), at Lender's option, all of the sums secured by this Deed of Trust shall be immediately due and payable (Acceleration). To exercise this option, Lender may invoke the power of sale and any other remedies permitted by law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this Deed of Trust, including, but not limited to, reasonable attorney's fees.
If Lender invokes the power of sale, Lender shall give written notice to trustee of such election. Trustee shall give such notice to Borrower of Borrower's rights as is provided by law. Trustee shall record a copy of such notice and shall cause publication of the legal notice as required by law in a legal newspaper of general circulation in each county in which the Property is situated, and shall mail copies of such notice of sale to Borrower and other persons as prescribed by law. After the lapse of such time as may be required by law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder for cash at the time and place (which may be on the Property or any part thereof as permitted by law) in one or more parcels as Trustee may think best and in such order as Trustee may determine. Lender or Lender's designee may purchase the Property at any sale. It shall not be obligatory upon the purchaser at any such sale to see to the application of the purchase money.
Trustee shall apply the proceeds of the sale in the following order: (a) to all reasonable costs and expenses of the sale, including, but not limited to, reasonable Trustee's and attorney's fees and costs of title evidence; (b) to all sums secured by this Deed of Trust; and (c) the excess, if any, to the person or persons legally entitled thereto.
19. **Borrower's Right to Cure Default.** Whenever foreclosure is commenced for nonpayment of any sums due hereunder, the owners of the Property or parties liable hereon shall be entitled to cure said defaults by paying all delinquent principal and interest payments due as of the date of cure, costs, expenses, late charges, attorney's fees and other fees all in the manner provided by law. Upon such payment, this Deed of Trust and the obligations secured hereby shall remain in full force and effect as though no Acceleration had occurred, and the foreclosure proceedings shall be discontinued.
20. **Assignment of Rents; Appointment of Receiver; Lender in Possession.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property; however, Borrower shall, prior to Acceleration under § 18 (Acceleration; Foreclosure; Other Remedies) or abandonment of the Property, have the right to collect and retain such rents as they become due and payable. Lender or the holder of the Trustee's certificate of purchase shall be entitled to a receiver for the Property after Acceleration under § 18 (Acceleration; Foreclosure; Other Remedies), and shall also be so entitled during the time covered by foreclosure proceedings and the period of redemption, if any; and shall be entitled thereto as a matter of right without regard to the solvency or insolvency of Borrower or of the then owner of the Property, and without regard to the value thereof. Such receiver may be appointed by any Court of competent jurisdiction upon ex parte application and without notice; notice being hereby expressly waived.
Upon Acceleration under § 18 (Acceleration; Foreclosure; Other Remedies) or abandonment of the Property, Lender, in person, by agent or by judicially-appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due.
All rents collected by Lender or the receiver shall be applied first, to payment of the costs of preservation and management of the

Borrower(s)

Lender(s)

Property, second, to payments due upon prior liens, and then to the sums secured by this Deed of Trust. Lender and the receiver shall be liable to account only for those rents actually received.

21. **Release.** Upon payment of all sums secured by this Deed of Trust, Lender shall cause Trustee to release this Deed of Trust and shall produce for Trustee the Note. Borrower shall pay all costs of recordation and shall pay the statutory Trustee's fees. If Lender shall not produce the Note as aforesaid, then Lender, upon notice in accordance with § 16 (Notice) from Borrower to Lender, shall obtain, at Lender's expense, and file any lost instrument bond required by Trustee or pay the cost thereof to effect the release of this Deed of Trust.

22. **Waiver of Exemptions.** Borrower hereby waives all right of homestead and any other exemption in the Property under state or federal law presently existing or hereafter enacted.

23. **Escrow Funds for Taxes and Insurance.** This § 23 is not applicable if Funds as defined below are being paid pursuant to a prior encumbrance. Subject to applicable law, Borrower shall pay to Lender, on each day installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein referred to as "Funds") equal to N/A of the yearly taxes and assessments which may attain priority over this Deed of Trust, plus N/A of yearly premium installments for Property Insurance, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof, taking into account any excess Funds not used or shortages.

The principal of the Funds shall be held in a separate account by the Lender in trust for the benefit of the Borrower and deposited in an institution, the deposits or accounts of which are insured or guaranteed by a federal or state agency. Lender shall apply the Funds to pay said taxes, assessments and insurance premiums. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills. Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Deed of Trust.

If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments and insurance premiums as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is given in accordance with § 16 (Notice) by Lender to Borrower requesting payment thereof. Provided however, if the loan secured by this Deed of Trust is subject to RESPA or other laws regulating Escrow Accounts, such deficiency, surplus or any other required adjustment shall be paid, credited or adjusted in compliance with such applicable laws.

Upon payment in full of all sums secured by this Deed of Trust, Lender shall simultaneously refund to Borrower any funds held by Lender. If under § 18 (Acceleration; Foreclosure; Other Remedies) the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, whichever occurs first, any Funds held by Lender at the time of application as a credit against the sums secured by this Deed of Trust.

24. **Transfer of the Property; Assumption.** The following events shall be referred to herein as a "Transfer": (i) a transfer or conveyance of title (or any portion thereof, legal or equitable) of the Property (or any part thereof or interest therein); (ii) the execution of a contract or agreement creating a right to title (or any portion thereof, legal or equitable) in the Property (or any part thereof or interest therein); (iii) or an agreement granting a possessory right in the Property (or any portion thereof), in excess of 3 years; (iv) a sale or transfer of, or the execution of a contract or agreement creating a right to acquire or receive, more than fifty percent (50%) of the controlling interest or more than fifty percent (50%) of the beneficial interest in Borrower and (v) the reorganization, liquidation or dissolution of Borrower. Not to be included as a Transfer are (x) the creation of a lien or encumbrance subordinate to this Deed of Trust; (y) the creation of a purchase money security interest for household appliances; or (z) a transfer by devise, descent or by operation of the law upon the death of a joint tenant. At the election of Lender, in the event of each and every Transfer:

1. **24.1.** All sums secured by this Deed of Trust shall become immediately due and payable (Acceleration).
2. **24.2.** If a Transfer occurs and should Lender not exercise Lender's option pursuant to this § 24 to Accelerate, Transferee shall be deemed to have assumed all of the obligations of Borrower under this Deed of Trust including all sums secured hereby whether or not the instrument evidencing such conveyance, contract or grant expressly so provides. This covenant shall run with the Property and remain in full force and effect until said sums are paid in full. Lender may without notice to Borrower deal with Transferee in the same manner as with the Borrower with reference to said sums including the payment or credit to Transferee of undisbursed reserve Funds on payment in full of said sums, without in any way altering or discharging the Borrower's liability hereunder for the obligations hereby secured.
3. **24.3.** Should Lender not elect to Accelerate upon the occurrence of such Transfer then, subject to § 24.2 above, the mere fact of a lapse of time or the acceptance of payment subsequent to any of such events, whether or not Lender had actual or constructive notice of such Transfer, shall not be deemed a waiver of Lender's right to make such election nor shall Lender be estopped therefrom by virtue thereof. The issuance on behalf of the Lender of a routine statement showing the status of the loan, whether or not Lender had actual or constructive notice of such Transfer, shall not be a waiver or estoppel of Lender's said rights.

25. **Borrower's Copy.** Borrower acknowledges receipt of a copy of the Note and this Deed of Trust.

Executed by Borrower:

Borrower(s)

Lender(s)

Exhibit A

A TRACT OF LAND LOCATED IN A PORTION OF SECTION 8 AND SECTION 9, BOTH IN TOWNSHIP 15 SOUTH, RANGE 65 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:
BEGINNING AT THE NW CORNER OF SAID SECTION 9;
THENCE S89°51'23"E ALONG THE NORTH LINE OF SAID SECTION 9, A DISTANCE OF 291.37 FEET;
THENCE S0°00'00"E DEPARTING SAID NORTH LINE, A DISTANCE OF 510.29 FEET;
THENCE N90°00'00"W A DISTANCE OF 895.01 FEET TO A POINT OF NON-TANGENT CURVE TO THE LEFT, SAID POINT BEING ON THE EASTERLY RIGHT-OF-WAY LINE OF POWERS BOULEVARD AS DESCRIBED IN INSTRUMENT RECORDED JANUARY 26, 1987 IN BOOK 5307 AT PAGE 1472 (NOW HIGHWAY 21) OF THE RECORDS OF SAID EL PASO COUNTY;
THENCE ON SAID RIGHT-OF-WAY LINE, ON SAID CURVE HAVING A RADIUS OF 2105.00 FEET, A DELTA ANGLE OF 40°20'14", AN ARC LENGTH OF 1481.95 FEET, WHOSE LONG CHORD BEARS N70°00'43"W A DISTANCE OF 1451.54 FEET TO A POINT ON THE NORTH LINE OF SAID SECTION 8;
THENCE N89°34'04"E DEPARTING SAID RIGHT-OF-WAY LINE, ALONG SAID NORTH LINE, A DISTANCE OF 1967.80 FEET TO THE POINT BEGINNING.

Borrower(s)

Lender(s)

CPR ENTITLEMENTS, LLC, A COLORADO LIMITED LIABILITY COMPANY

By: [Signature]
P.A. KOSCIELSKI, MANAGER

AND INDIVIDUALLY

By: [Signature]
P.A. KOSCIELSKI

By: [Signature]
CHARLES COTHERN

By: [Signature]
RAYMOND O'SULLIVAN

State of Colorado)
County of EL PASO)ss.

The foregoing instrument was acknowledged before me on this day of October 31st, 2022 by P.A. KOSCIELSKI, INDIVIDUALLY AND AS MANAGER OF CPR ENTITLEMENTS, LLC, A COLORADO LIMITED LIABILITY COMPANY, CHARLES COTHERN AND RAYMOND O'SULLIVAN

Witness my hand and official seal

My Commission expires: 02/02/2026

[Signature]
Notary Public

KRISTEN L. DE HERRERA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20064004626
MY COMMISSION EXPIRES 02/02/2026

Borrower(s) [Signature]

Lender(s) [Signature]

Exhibit A

LEGAL DESCRIPTION (PARCEL 1)

A TRACT OF LAND LOCATED IN A PORTION OF SECTION 9, IN TOWNSHIP 15 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NW CORNER OF SAID SECTION 9;

THENCE S81°51'23"E ALONG THE NORTH LINE OF SAID SECTION 9, A DISTANCE OF 669.38 FEET;

THENCE S00°00'00"E DEPARTING SAID NORTH LINE, A DISTANCE OF 932.06 FEET TO THE POINT OF BEGINNING;

THENCE N90°00'00"E A DISTANCE OF 1622.06 FEET;

THENCE S00°00'00"E A DISTANCE OF 30.00 FEET TO A POINT OF CURVE TO THE RIGHT;

THENCE ON SAID CURVE, HAVING A RADIUS OF 275.00 FEET, AN ARC LENGTH OF 86.95 FEET, A DELTA ANGLE OF 18°07'00", WHOSE LONG CHORD BEARS S09°03'30"W A DISTANCE OF 86.59 FEET TO A POINT OF REVERSE CURVE;

THENCE ON SAID CURVE, HAVING A RADIUS OF 325.00 FEET, AN ARC LENGTH OF 140.89 FEET, A DELTA ANGLE OF 24°50'16", WHOSE LONG CHORD BEARS S05°41'52"W A DISTANCE OF 139.79 FEET;

THENCE S06°43'16"E A DISTANCE OF 247.56 FEET TO A POINT OF NON-TANGENT CURVE TO THE LEFT, SAID POINT BEING ON THE NORTHERLY RIGHT-OF-WAY LINE OF BRADLEY ROAD AS RECORDED JANUARY 26, 1987 IN BOOK 5307 AT PAGE 1472 OF THE RECORDS OF SAID EL PASO COUNTY;

THE FOLLOWING TWO (2) COURSES ARE ON SAID RIGHT-OF-WAY LINE:

1. THENCE ON SAID CURVE, HAVING A RADIUS OF 2969.79 FEET, AN ARC LENGTH OF 437.89 FEET, A DELTA ANGLE OF 08°26'54", WHOSE LONG CHORD BEARS S78°34'14"W A DISTANCE OF 437.50 FEET;

2. THENCE S74°20'48"W A DISTANCE OF 824.67 FEET;

THENCE N15°39'12"W DEPARTING SAID RIGHT-OF-WAY LINE, A DISTANCE OF 200.00 FEET TO A POINT OF CURVE TO THE LEFT;

THENCE ON SAID CURVE, HAVING A RADIUS OF 630.50 FEET, AN ARC LENGTH OF 23.74 FEET, A DELTA ANGLE OF 02°09'25", WHOSE LONG CHORD BEARS N16°43'55"W A DISTANCE OF 23.74 FEET TO A POINT OF COMPOUND CURVE TO THE LEFT;

THENCE ON SAID CURVE, HAVING A RADIUS OF 422.48 FEET, AN ARC LENGTH OF 97.37 FEET, A DELTA ANGLE OF 13°12'19", WHOSE LONG CHORD BEARS N24°24'47"W A DISTANCE OF 97.16 FEET;

THENCE N31°00'56"W A DISTANCE OF 47.52 FEET TO A POINT OF CURVE TO THE LEFT;

THENCE ON SAID CURVE, HAVING A RADIUS OF 625.00 FEET, AN ARC LENGTH OF 363.03 FEET, A DELTA ANGLE OF 33°16'48", WHOSE LONG CHORD BEARS N47°39'20"W A DISTANCE OF 357.95 FEET TO A POINT OF REVERSE CURVE TO THE RIGHT;

THENCE ON SAID CURVE, HAVING A RADIUS OF 545.00 FEET, AN ARC LENGTH OF 11.85 FEET, A DELTA ANGLE OF 01°14'44", WHOSE LONG CHORD BEARS N63°40'22"W A DISTANCE OF 11.85 FEET;

THENCE N00°00'00"E A DISTANCE OF 218.80 FEET TO THE POINT OF BEGINNING.

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PGS 6

11/23/2022 1:56 PM
\$38.00 DF \$0.00

Electronically Recorded Official Records El Paso County CO
Chuck Broerman, Clerk and Recorder
TD1000 N



The printed portions of this form except differentiated additions, have been approved by the Colorado Real Estate Commission (TD72-8-10) (Mandatory 1-11)

IF THIS FORM IS USED IN A CONSUMER CREDIT TRANSACTION, CONSULT LEGAL COUNSEL. THIS IS A LEGAL INSTRUMENT. IF NOT UNDERSTOOD, LEGAL, TAX OR OTHER COUNSEL SHOULD BE CONSULTED BEFORE SIGNING.

**Deed of Trust
(Due on Transfer – Strict)**

THIS DEED OF TRUST is made on this day of **November 17, 2022**, between **CPR ENTITLEMENTS, LLC, A COLORADO LIMITED LIABILITY COMPANY** (Borrower), whose address is **31 NORTH TEJON STREET SUITE 500, COLORADO SPRINGS, CO 80903**; and the Public Trustee of the County in which the Property (see § 1) is situated (Trustee); for the benefit of **C. MICHAEL HAUSMAN REVOCABLE TRUST** (Lender), whose address is **9230 GRAND CORDERA PKWY, COLORADO SPRINGS, CO 80924**

Borrower and Lender covenant and agree as follows:

1. **Property in Trust.** Borrower, in consideration of the indebtedness herein recited and the trust herein created, hereby grants and conveys to Trustee in trust, with power of sale, the following legally described property located in the County of El Paso, State of Colorado:

See attached "Exhibit A"

known as **No. A PORTION OF NORTH WATERVIEW, COLORADO SPRINGS, CO 80911**, (Property Address), together with all its appurtenances (Property).

2. **Note: Other Obligations Secured.** This Deed of Trust is given to secure to Lender:
 - 2.1. The repayment of the indebtedness evidenced by Borrower's note (Note) dated **November 17, 2022**, in the principal sum of **One Million and 00/100 Dollars (U.S. \$1,000,000.00)**, with interest on the unpaid principal balance from **11/17/2022**, until paid, at the rate of **15.0000 percent per annum**, with principal and interest payable at **9230 GRAND CORDERA PKWY, COLORADO SPRINGS, CO 80924** or such other place as Lender may designate, in **1 payments of One Million and 00/100 Dollars (U.S. \$1,000,000.00), November 17, 2023**; such payments to continue until the entire indebtedness evidenced by said Note is fully paid; however, if not sooner paid, the entire principal amount outstanding and accrued interest thereon shall be due and payable on **November 17, 2023 ENTIRE PRINCIPAL AND INTEREST DUE 1 YEAR AFTER NOTE DATE, UNLESS EXTENDED. IF EXTENDED \$100,000.00 IS DUE TOWARDS INTEREST.**; and Borrower is to pay to Lender a late charge of **18.0000%** of any payment not received by Lender within **5 days** after payment is due; and Borrower has the right to prepay the principal amount outstanding under said Note, in whole or in part, at any time without penalty except **NONE AFTER FIRST SIX MONTHS.**
 - 2.2. The payment of all other sums, with interest thereon at **18.0000%** per annum, disbursed by Lender in accordance with this Deed of Trust to protect the security of this Deed of Trust; and
 - 2.3. The performance of the covenants and agreements of Borrower herein contained.
3. **Title.** Borrower covenants that Borrower owns and has the right to grant and convey the Property, and warrants title to the same, subject to general real estate taxes for the current year, easements of record or in existence, and recorded declarations, restrictions, reservations and covenants, if any, as of this date and subject to
4. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, and late charges as provided in the Note and shall perform all of Borrower's other covenants contained in the Note.
5. **Application of Payments.** All payments received by Lender under the terms hereof shall be applied by Lender first in payment of amounts due pursuant to § 23 (Escrow Funds for Taxes and Insurance), then to amounts disbursed by Lender pursuant to § 9 (Protection of Lender's Security), and the balance in accordance with the terms and conditions of the Note.
6. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any prior deed of trust and any other prior liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may have or attain a priority over this Deed of Trust, and leasehold payments or ground rents, if any, in the manner set out in § 23 (Escrow Funds for Taxes and Insurance) or, if not required to be paid in such manner, by Borrower making payment when due, directly to the payee thereof. Despite the foregoing, Borrower shall not be required to make payments otherwise required by this section if Borrower, after notice to Lender, shall in good faith contest such obligation by, or defend enforcement of such obligation in, legal proceedings which operate to prevent the enforcement of the obligation or forfeiture of the Property or any part thereof, only upon Borrower making all such contested payments and other payments as ordered by the court to the registry of the court in which such proceedings are filed.

7. **Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire or hazards included within the term "extended coverage" in an amount at least equal to the lesser of (a) the insurable value of the Property or (b) an amount sufficient to pay the sums secured by this Deed of Trust as well as any prior encumbrances on the Property. All of the foregoing shall be known as "Property Insurance".
- The insurance carrier providing the insurance shall be qualified to write Property Insurance in Colorado and shall be chosen by Borrower subject to Lender's right to reject the chosen carrier for reasonable cause. All insurance policies and renewals thereof shall include a standard mortgage clause in favor of Lender, and shall provide that the insurance carrier shall notify Lender at least ten (10) days before cancellation, termination or any material change of coverage. Insurance policies shall be furnished to Lender at or before closing. Lender shall have the right to hold the policies and renewals thereof.
- In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.
- Insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Deed of Trust is not thereby impaired. If such restoration or repair is not economically feasible, or if the security of this Deed of Trust would be impaired, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is given in accordance with § 16 (Notice) by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.
- Any such application of proceeds to principal shall not extend or postpone the due date of the installments referred to in §§ 4 (Payment of Principal and Interest) and 23 (Escrow Funds for Taxes and Insurance) or change the amount of such installments. Notwithstanding anything herein to the contrary, if under § 18 (Acceleration; Foreclosure; Other Remedies) the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Deed of Trust immediately prior to such sale or acquisition.
- All of the rights of Borrower and Lender hereunder with respect to insurance carriers, insurance policies and insurance proceeds are subject to the rights of any holder of a prior deed of trust with respect to said insurance carriers, policies and proceeds.
8. **Preservation and Maintenance of Property.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Deed of Trust is on a leasehold. Borrower shall perform all of Borrower's obligations under any declarations, covenants, by-laws, rules, or other documents governing the use, ownership or occupancy of the Property.
9. **Protection of Lender's Security.** Except when Borrower has exercised Borrower's rights under § 6 above, if Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if a default occurs in a prior lien, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, with notice to Borrower if required by law, may make such appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to:
- 9.1. any general or special taxes or ditch or water assessments levied or accruing against said property;
 - 9.2. the premiums on any insurance necessary to protect any improvements comprising a part of the Property;
 - 9.3. sums due on any prior lien or encumbrance on the Property;
 - 9.4. if the Property is a leasehold or is subject to a lease, all sums due under such lease;
 - 9.5. the reasonable costs and expenses of defending, protecting, and maintaining the Property and Lender's interest in the Property, including repair and maintenance costs and expenses, costs and expenses of protecting and securing the Property, receiver's fees and expenses, inspection fees, appraisal fees, court costs, attorney fees and costs, and fees and costs of an attorney in the employment of the Lender or holder of the certificate of purchase;
 - 9.6. all other costs and expenses allowable by the evidence of debt or this Deed of Trust; and
 - 9.7. such other costs and expenses which may be authorized by a court of competent jurisdiction.
- Borrower hereby assigns to Lender any right Borrower may have by reason of any prior encumbrance on the Property or by law or otherwise to cure any default under said prior encumbrance.
- Any amounts disbursed by Lender pursuant to this § 9, with interest thereon, shall become additional indebtedness of Borrower secured by this Deed of Trust. Such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and Lender may bring suit to collect any amounts so disbursed plus interest specified in § 2.2 (Note; Other Obligations Secured). Nothing contained in this § 9 shall require Lender to incur any expense or take any action hereunder.
10. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspection of the Property provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefore related to Lender's interest in the Property.
11. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender as herein provided. However, all of the rights of Borrower and Lender hereunder with respect to such proceeds are subject to the rights of any holder of a prior deed of trust. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, the proceeds remaining after taking out any part of the award due any prior lien holder (net award) shall be divided between Lender and Borrower, in the same ratio as the amount of the sums secured by this Deed of Trust immediately prior to the date of taking bears to Borrower's equity in the Property immediately prior to the date of taking. Borrower's equity in the Property means the fair market value of the Property less the amount of sums secured by both this Deed of Trust and all prior liens (except taxes) that are to receive any of the award, all at the value immediately prior to the date of taking.
- If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is given, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this

Deed of Trust.

Any such application of proceeds to principal shall not extend or postpone the due date of the installments referred to in § 4 (Payment of Principal and Interest) and 23 (Escrow Funds for Taxes and Insurance) nor change the amount of such installments.

12. **Borrower Not Released.** Extension of the time for payment or modification of amortization of sums secured by this Deed of Trust granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower, nor Borrower's successors in interest, from the original terms of this Deed of Trust. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Borrower nor Borrower's successors in interest.
13. **Forbearance by Lender Not a Waiver.** Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by law, shall not be a waiver or preclude the exercise of any such right or remedy.
14. **Remedies Cumulative.** Each remedy provided in the Note and this Deed of Trust is distinct from and cumulative to all other rights or remedies under the Note and this Deed of Trust or afforded by law or equity, and may be exercised concurrently, independently or successively.
15. **Successors and Assigns Bound; Joint and Several Liability; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of § 24 (Transfer of the Property; Assumption). All covenants and agreements of Borrower shall be joint and several. The captions and headings of the sections in this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.
16. **Notice.** Except for any notice required by law to be given in another manner, (a) any notice to Borrower provided for in this Deed of Trust shall be in writing and shall be given and be effective upon (1) delivery to Borrower or (2) mailing such notice by first-class U.S. mail, addressed to Borrower at Borrower's address stated herein or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be in writing and shall be given and be effective upon (1) delivery to Lender or (2) mailing such notice by first-class U.S. mail, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Deed of Trust shall be deemed to have been given to Borrower or Lender when given in any manner designated herein.
17. **Governing Law; Severability.** The Note and this Deed of Trust shall be governed by the law of Colorado. In the event that any provision or clause of this Deed of Trust or the Note conflicts with the law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Deed of Trust and Note are declared to be severable.
18. **Acceleration; Foreclosure; Other Remedies.** Except as provided in paragraph 24 (Transfer of the Property; Assumption), upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, or upon any default in a prior lien upon the Property, (unless Borrower has exercised Borrower's rights under paragraph 6 (Prior Mortgages and Deeds of Trust; Charges; Liens), at Lender's option, all of the sums secured by this Deed of Trust shall be immediately due and payable (Acceleration). To exercise this option, Lender may invoke the power of sale and any other remedies permitted by law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this Deed of Trust, including, but not limited to, reasonable attorney's fees.
If Lender invokes the power of sale, Lender shall give written notice to trustee of such election. Trustee shall give such notice to Borrower of Borrower's rights as is provided by law. Trustee shall record a copy of such notice and shall cause publication of the legal notice as required by law in a legal newspaper of general circulation in each county in which the Property is situated, and shall mail copies of such notice of sale to Borrower and other persons as prescribed by law. After the lapse of such time as may be required by law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder for cash at the time and place (which may be on the Property or any part thereof as permitted by law) in one or more parcels as Trustee may think best and in such order as Trustee may determine. Lender or Lender's designee may purchase the Property at any sale. It shall not be obligatory upon the purchaser at any such sale to see to the application of the purchase money.
Trustee shall apply the proceeds of the sale in the following order: (a) to all reasonable costs and expenses of the sale, including, but not limited to, reasonable Trustee's and attorney's fees and costs of title evidence; (b) to all sums secured by this Deed of Trust; and (c) the excess, if any, to the person or persons legally entitled thereto.
19. **Borrower's Right to Cure Default.** Whenever foreclosure is commenced for nonpayment of any sums due hereunder, the owners of the Property or parties liable hereon shall be entitled to cure said defaults by paying all delinquent principal and interest payments due as of the date of cure, costs, expenses, late charges, attorney's fees and other fees all in the manner provided by law. Upon such payment, this Deed of Trust and the obligations secured hereby shall remain in full force and effect as though no Acceleration had occurred, and the foreclosure proceedings shall be discontinued.
20. **Assignment of Rents; Appointment of Receiver; Lender In Possession.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property; however, Borrower shall, prior to Acceleration under § 18 (Acceleration; Foreclosure; Other Remedies) or abandonment of the Property, have the right to collect and retain such rents as they become due and payable. Lender or the holder of the Trustee's certificate of purchase shall be entitled to a receiver for the Property after Acceleration under § 18 (Acceleration; Foreclosure; Other Remedies), and shall also be so entitled during the time covered by foreclosure proceedings and the period of redemption, if any; and shall be entitled thereto as a matter of right without regard to the solvency or insolvency of Borrower or of the then owner of the Property, and without regard to the value thereof. Such receiver may be appointed by any Court of competent jurisdiction upon ex parte application and without notice; notice being hereby expressly waived.
Upon Acceleration under § 18 (Acceleration; Foreclosure; Other Remedies) or abandonment of the Property, Lender, in person, by agent or by judicially-appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due.
All rents collected by Lender or the receiver shall be applied first, to payment of the costs of preservation and management of the

Property, second, to payments due upon prior liens, and then to the sums secured by this Deed of Trust. Lender and the receiver shall be liable to account only for those rents actually received.

21. **Release.** Upon payment of all sums secured by this Deed of Trust, Lender shall cause Trustee to release this Deed of Trust and shall produce for Trustee the Note. Borrower shall pay all costs of recordation and shall pay the statutory Trustee's fees. If Lender shall not produce the Note as aforesaid, then Lender, upon notice in accordance with § 16 (Notice) from Borrower to Lender, shall obtain, at Lender's expense, and file any lost instrument bond required by Trustee or pay the cost thereof to effect the release of this Deed of Trust.

22. **Waiver of Exemptions.** Borrower hereby waives all right of homestead and any other exemption in the Property under state or federal law presently existing or hereafter enacted.

23. **Escrow Funds for Taxes and Insurance.** This § 23 is not applicable if Funds as defined below are being paid pursuant to a prior encumbrance. Subject to applicable law, Borrower shall pay to Lender, on each day installments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein referred to as "Funds") equal to N/A of the yearly taxes and assessments which may attain priority over this Deed of Trust, plus N/A of yearly premium installments for Property Insurance, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof, taking into account any excess Funds not used or shortages.

The principal of the Funds shall be held in a separate account by the Lender in trust for the benefit of the Borrower and deposited in an institution, the deposits or accounts of which are insured or guaranteed by a federal or state agency. Lender shall apply the Funds to pay said taxes, assessments and insurance premiums. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills. Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Deed of Trust.

If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments and insurance premiums as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within 30 days from the date notice is given in accordance with § 16 (Notice) by Lender to Borrower requesting payment thereof. Provided however, if the loan secured by this Deed of Trust is subject to RESPA or other laws regulating Escrow Accounts, such deficiency, surplus or any other required adjustment shall be paid, credited or adjusted in compliance with such applicable laws.

Upon payment in full of all sums secured by this Deed of Trust, Lender shall simultaneously refund to Borrower any funds held by Lender. If under § 18 (Acceleration; Foreclosure; Other Remedies) the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, whichever occurs first, any Funds held by Lender at the time of application as a credit against the sums secured by this Deed of Trust.

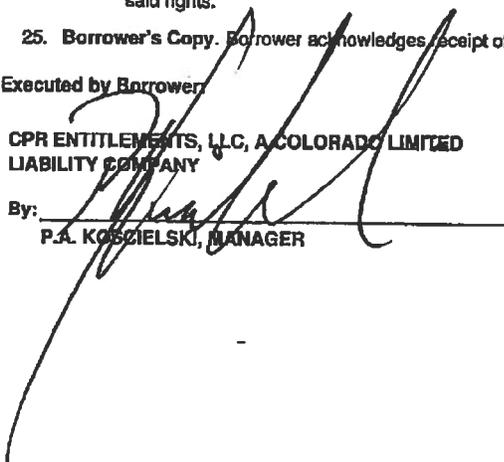
24. **Transfer of the Property; Assumption.** The following events shall be referred to herein as a "Transfer": (i) a transfer or conveyance of title (or any portion thereof, legal or equitable) of the Property (or any part thereof or interest therein); (ii) the execution of a contract or agreement creating a right to title (or any portion thereof, legal or equitable) in the Property (or any part thereof or interest therein); (iii) or an agreement granting a possessory right in the Property (or any portion thereof), in excess of 3 years; (iv) a sale or transfer of, or the execution of a contract or agreement creating a right to acquire or receive, more than fifty percent (50%) of the controlling interest or more than fifty percent (50%) of the beneficial interest in Borrower and (v) the reorganization, liquidation or dissolution of Borrower. Not to be included as a Transfer are (x) the creation of a lien or encumbrance subordinate to this Deed of Trust; (y) the creation of a purchase money security interest for household appliances; or (z) a transfer by devise, descent or by operation of the law upon the death of a joint tenant. At the election of Lender, in the event of each and every Transfer:

1. 24.1. All sums secured by this Deed of Trust shall become immediately due and payable (Acceleration).
2. 24.2. If a Transfer occurs and should Lender not exercise Lender's option pursuant to this § 24 to Accelerate, Transferee shall be deemed to have assumed all of the obligations of Borrower under this Deed of Trust including all sums secured hereby whether or not the instrument evidencing such conveyance, contract or grant expressly so provides. This covenant shall run with the Property and remain in full force and effect until said sums are paid in full. Lender may without notice to Borrower deal with Transferee in the same manner as with the Borrower with reference to said sums including the payment or credit to Transferee of undisbursed reserve Funds on payment in full of said sums, without in any way altering or discharging the Borrower's liability hereunder for the obligations hereby secured.
3. 24.3. Should Lender not elect to Accelerate upon the occurrence of such Transfer then, subject to § 24.2 above, the mere fact of a lapse of time or the acceptance of payment subsequent to any of such events, whether or not Lender had actual or constructive notice of such Transfer, shall not be deemed a waiver of Lender's right to make such election nor shall Lender be estopped therefrom by virtue thereof. The issuance on behalf of the Lender of a routine statement showing the status of the loan, whether or not Lender had actual or constructive notice of such Transfer, shall not be a waiver or estoppel of Lender's said rights.

25. **Borrower's Copy.** Borrower acknowledges receipt of a copy of the Note and this Deed of Trust.

Executed by Borrower

CPR ENTITLEMENTS, LLC, A COLORADO LIMITED LIABILITY COMPANY

By: 
P.A. KOSCIELSKI, MANAGER

State of Colorado)
)ss.
County of EL PASO)

The foregoing instrument was acknowledged before me on this day of November 21, 2022 by P.A. KOSCIELSKI AS
MANAGER OF CPR ENTITLEMENTS, LLC, A COLORADO LIMITED LIABILITY COMPANY

Witness my hand and official seal

My Commission expires: 02/02/2026 
Notary Public

KRISTEN L. DE HERRERA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20064004626
MY COMMISSION EXPIRES 02/02/2026