

DECLARATION OF RECIPROCAL EASEMENT AGREEMENT

THIS DECLARATION OF RECIPROCAL EASEMENT AGREEMENT (this "Agreement") is granted this 3rd day of MAY, 2003, by IHS PROPERTY MANAGEMENT, INC., a Delaware corporation ("Declarant").

RECITALS:

Declarant is the owner of three (3) parcels of land located in Inverness Subdivision Filing No. 9, a Part of Section 2, Township 6 South, Range 67 West of the 6th P.M., County of Douglas, State of Colorado ("Inverness Subdivision Filing No. 9").

Declarant is the owner of that certain parcel of land located in Douglas County, Colorado, more particularly described as Lot 1, Inverness Subdivision Filing No. 9 ("Parcel 1").

Declarant is the owner of that certain parcel of land located adjacent to Parcel 1, more particularly described as Lot 2, Inverness Subdivision Filing No. 9 ("Parcel 2").

Declarant is the owner of that certain parcel of land located adjacent to Parcel 1 and Parcel 2, more particularly described as Lot 3, Inverness Subdivision Filing No. 9 ("Parcel 3").

Declarant desires to grant to itself and any future owners of Parcel 1, Parcel 2 and Parcel 3 reciprocal access easements over and across a portion of Parcel 1, a portion of Parcel 2 and a portion of Parcel 3 to serve Parcel 1, Parcel 2 and Parcel 3 according to the terms set forth herein.

Declarant desires to grant to itself and any future owner of Parcel 3 a parking easement for the use of certain handicapped parking spaces on Parcel 2, according to the terms set forth herein.

NOW, THEREFORE, in consideration of the sum of Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Conveyance of Access Easements. Subject to the terms and conditions hereof, Declarant hereby grants unto itself and to any future owners of Parcel 1, Parcel 2 and Parcel 3 for their use and the use of their agents, tenants, employees, customers, licensees, invitees, successors and assigns, and the agents, employees, customers, licensees, invitees and successors and assigns of said tenants, a non-exclusive perpetual easement appurtenant to Parcel 1, Parcel 2 and Parcel 3 over and across any portion of the other respective parcels, now existing or hereafter designated as entrances, driveways, driving lanes and sidewalks for the sole purpose of providing pedestrian and vehicular access, ingress and egress (but not for parking, except as otherwise set forth herein) to and from public rights-of-way and each of Parcel 1, Parcel 2 and Parcel 3 (including without limitation the right to access, ingress and egress for any and all emergency vehicles).

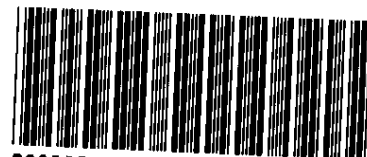
OFFICIAL RECORDS
DOUGLAS COUNTY CO
CAROLE R. MURRAY
CLERK & RECORDER
RECORDING FEE:

\$26.00
5 PGS

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05/05/2003 09:55 AM



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2. Grant of Parking Easement to Parcel 3. Declarant hereby grants and conveys unto itself and to any future owners of Parcel 3 for their use and the use of their tenants, customers, guests, employees, business invitees, successors and assigns, as an appurtenance to Parcel 3, and subject to the terms, covenants, agreements and conditions of this Agreement, a non-exclusive easement for the use of those certain nine (9) handicapped parking spaces (accommodating 7 cars and 2 vans) located within the parking lot which is located on Parcel 2, as depicted on the Partial Site Plan attached hereto as Exhibit A and incorporated herein by this reference, as such parking lot is currently configured, or may from time to time be reconfigured (which reconfiguration shall not abrogate the aforesaid for handicapped parking requirements), and for vehicular and foot traffic across such parking lot in order to permit access to and egress from the parking spaces located within the parking lot (referred to hereinafter as the "Parking Easement"). Declarant, as the owner of Parcel 3, for itself, its successors and assigns, covenants and agrees to permit the relocation of the Parking Easement provided that the relocation is undertaken as a part of the redevelopment of Parcel 2, and such relocation will not unreasonably interfere with the use and enjoyment of Parcel 3 by Declarant or any future owner of Parcel 3. Declarant or any future owner of Parcel 2 shall bear the costs and expenses of any such relocation.

3. Maintenance and Repair.

(a) Declarant, as the owner of Parcel 1, for itself, its successors and assigns, covenants and agrees to maintain and repair the entrances, driving lanes, driveways and sidewalks, from time to time located on Parcel 1, at all times, and to keep the same properly surfaced, painted, striped and cleaned, and free from ice, snow, weeds, trash and debris in accordance with standard practice in the Inverness Business Park, Douglas County, Colorado. The owner of Parcel 1 is not obligated to maintain or repair Parcel 2 or Parcel 3.

(b) Declarant, as the owner of Parcel 2, for itself, its successors and assigns, covenants and agrees to maintain and repair the entrances, driving lanes, driveways, sidewalks and parking spaces, including without limitation the Parking Easement, from time to time located on Parcel 2, at all times and to keep the same properly surfaced, painted, striped and cleaned, and free from ice, snow, weeds, trash and debris in accordance with standard practice in the Inverness Business Park, Douglas County, Colorado. The owner of Parcel 2 is not obligated to maintain or repair Parcel 1 or Parcel 3.

(c) Declarant, as the owner of Parcel 3, for itself, its successors and assigns, covenants and agrees to maintain and repair the entrances, driving lanes, driveways and sidewalks, from time to time located on Parcel 3, at all times, and to keep the same properly surfaced, painted, striped and cleaned, and free from ice, snow, weeds, trash and debris in accordance with standard practice in the Inverness Business Park, Douglas County, Colorado. The owner of Parcel 3 is not obligated to maintain or repair Parcel 1 or Parcel 2.

4. Default. In the event the owner of Parcel 1, the owner of Parcel 2 or the owner of Parcel 3 fails to fulfill its obligations pursuant to this Agreement, the owner who is not in default hereunder ("Nondefaulting Party") shall give the defaulting party ("Defaulting Party") written notice of such default ("Default Notice"). In the event the Defaulting Party fails to cure such

default within thirty (30) days of the date of the Default Notice, the Nondefaulting Party shall be entitled to take such action as is reasonably necessary to cure such default and the Defaulting Party shall be liable for all costs and expenses reasonably incurred by the Nondefaulting Party in affecting such cure, with interest at the rate of eighteen percent (18%) per annum from the date such expenses were incurred. In the event the Defaulting Party fails to reimburse the Nondefaulting Party for such costs within thirty (30) days of the date of invoice, therefor, the Nondefaulting Party shall, in addition to all other remedies available at law or in equity, be entitled to file a lien against the property of the Defaulting Party, and foreclose such lien in accordance with applicable law.

5. Non-Interference. Neither Declarant, nor its successors and assigns, will erect, maintain, place or leave any obstruction, fence or barricade on or across the easements granted herein, which in any way would obstruct or hinder the passage of either pedestrian or vehicular ingress and egress over and across such easements.

6. Covenants Running With the Land. Each covenant and undertaking in this Agreement and each and every one of the benefits and burdens hereunder shall run with the land and shall inure to and be binding upon the respective legal representatives, heirs, successors, assigns, tenants, customers, invitees and guests of Declarant and any future owners of Parcel 1, Parcel 2 and Parcel 3.

7. No Rights in Public Generally. This Agreement is not intended to benefit the general public and shall not be construed as creating rights in and for the benefit of the general public, nor shall it be construed to be a dedication to the general public.

8. Termination of Covenant Liability. Whenever a transfer of ownership of either parcel takes place, the transferor shall have no liability for any breach hereof occurring subsequent to such transfer.

9. Severability. A determination by a court that any provision hereof is invalid for any reason shall not affect the validity of any other provision hereof.

10. Governing Law. This Agreement shall be governed by the laws of the State of Colorado.

11. Amendment. The provisions of this Agreement may be terminated, abrogated, modified, rescinded or amended in whole or in part only by the then current owners of Parcel 1, Parcel 2 and Parcel 3 by written instrument, duly executed and recorded in the real property records of Douglas County, Colorado.

12. Entire Agreement. The above and foregoing constitute all terms and conditions of this grant and no additional or different oral representation, promise or agreement shall be binding on Declarant and its successor and assigns with respect to the subject matter of this Agreement.

IN WITNESS WHEREOF, this Agreement is executed by the Declarant on the day and year first above written.

IHS PROPERTY MANAGEMENT, INC.,
a Delaware corporation

By: Michael J. Smer
Its: CFO - FHSG

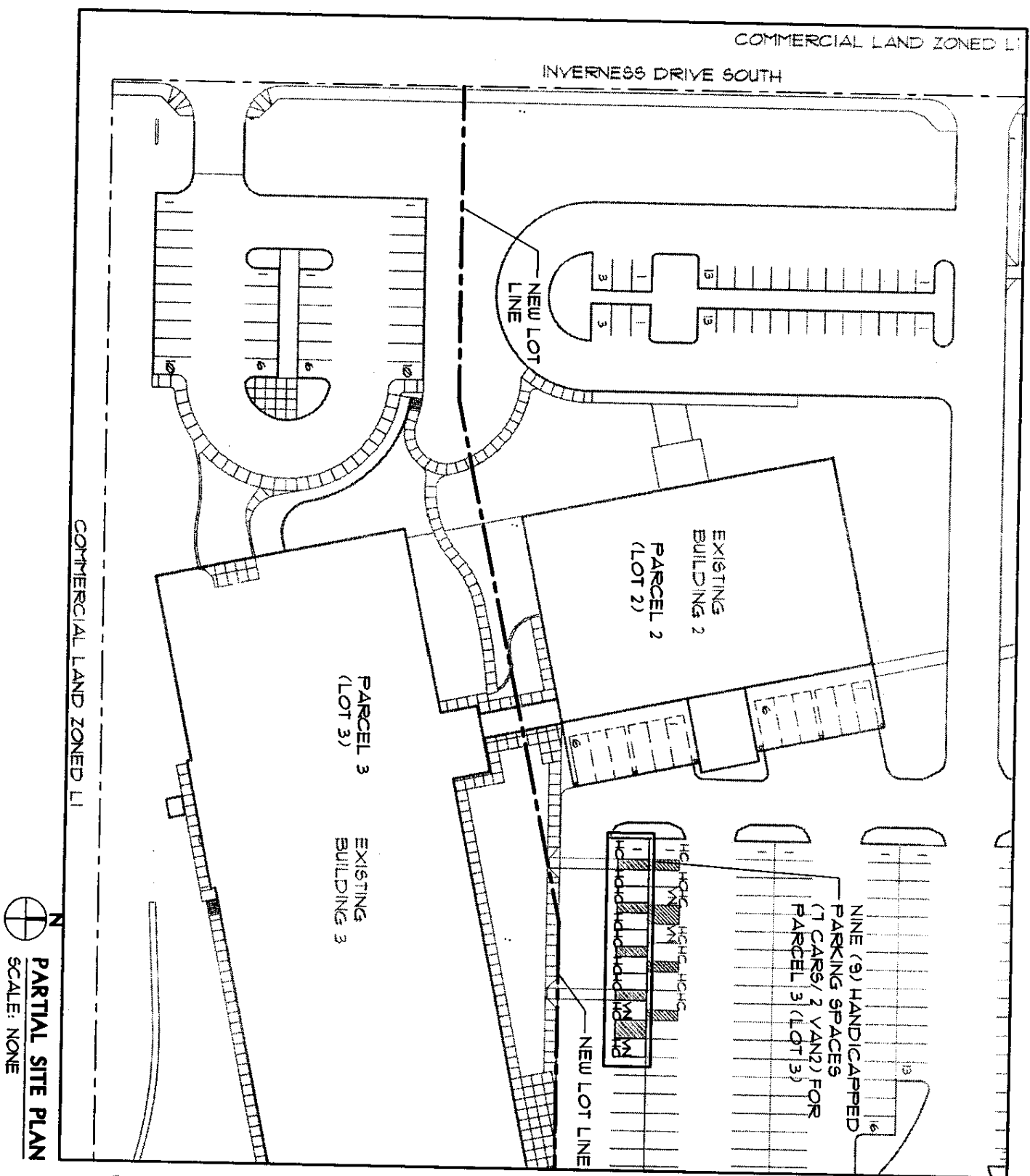
STATE OF COLORADO)
COUNTY OF Douglas) ss.

The foregoing instrument was acknowledged before me this 1st day of May, 2003, by Michael J. Sullivan as CFO of IHS Group of IHS PROPERTY MANAGEMENT, INC., a Delaware corporation.

WITNESS my hand and official seal.

My commission expires: July 22, 2003

Susan Cooper
Notary Public



SDM Architects Inc

Date • 2/24/03

Project No • 02021.00

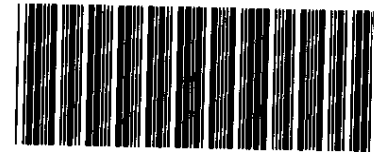
Project Name • INVERNESS SUBDIVISION FILING NO. 9 / SB02-051

EXHIBIT A

RECORDED AT THE REQUEST OF
AND WHEN RECORDED RETURN TO:

Panattoni Law Firm
1770 Moriah Woods Blvd.
Suite 12A
Memphis, TN 38117
Attn: Melody Oliver

FOR RECORDER'S



2004052352 15 PGS

OFFICIAL RECORDS
DOUGLAS COUNTY CO
CAROLE R. MURRAY
CLERK & RECORDER
RECORDING FEE: \$76.00
15 PGS

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05/21/2004 02:35 PM

DECLARATION OF EASEMENT
(Parking)

This Declaration of Easement (the "Declaration") is made as of May 20, 2004, by DEVELOPMENTAL PATHWAYS, INCORPORATED, a Colorado non-profit corporation ("Developmental Pathways"), having an address of 325 Inverness Drive South, Englewood, Colorado 80112, on the one hand, and CARMEL RIVER, LLC, a Delaware limited liability company, and HAGAN INVESTMENTS LLC, a Colorado limited liability company (collectively, "Carmel/Hagan"), having an address of 8401 Jackson Avenue, Sacramento, California 95826, on the other hand.

RECITALS

- A. Carmel/Hagan is the owner of that certain real property located in the County of Douglas, State of Colorado, being Lot 3 ("Lot 3"), Inverness Subdivision Filing No. 9, commonly known as 327 Inverness Drive South, Building C, as more particularly depicted on Exhibit "A", attached hereto and made a part hereof.
- B. Developmental Pathways is the owner of that certain real property located in the County of Douglas, State of Colorado, being Lot 2 ("Lot 2"), Inverness Subdivision Filing No. 9, commonly known as 325 Inverness Drive South, Building B, as more particularly depicted on Exhibit "A", attached hereto and made a part hereof.
- C. Developmental Pathways, for itself and its successors and assigns, intends to provide Carmel/Hagan and its successors and assigns, an exclusive parking easement ("Parking Easement") over and upon that certain portion of Lot 2 depicted within the cross hatched area on Exhibit "B" and legally described on Exhibit "C" (the "Exclusive Easement Area"), attached hereto and made a part hereof.

NOW, THEREFORE, in consideration of the above Recitals, Carmel/Hagan and Developmental Pathways declare as follows:

1. **Declaration of Easement.** Developmental Pathways, for itself, and its successors and assigns, hereby declares and grants, for the benefit of Carmel/Hagan, its successors and assigns, without any representation or warranty whatsoever, an exclusive parking easement over the Exclusive Easement Area for the sole purpose of vehicle parking, and a non-exclusive access easement for reasonable and necessary vehicular and pedestrian ingress and egress over and upon a portion of Lot 2 for the purpose of access to the Exclusive Easement Area (the exclusive parking easement and the non-exclusive access easement being sometimes referred to herein collectively as the "Parking Easement"). The Parking Easement shall be for the sole purpose of automobile parking by the tenant in the building located on Lot 3, Aurora Loan Services, Inc., its successors and assigns ("Aurora Loan"), its employees and invitees, twenty-four (24) hours a day, seven (7) days per week and ingress-egress thereto. The Parking Easement is exclusive as to parking rights, but Developmental Pathways retains the right to use the Exclusive Easement Area for any purpose that is not inconsistent with the grant of this Parking Easement. Carmel/Hagan agrees that neither Carmel/Hagan nor Aurora Loan or Aurora Loan's lessees, licensees, invitees, agents, employees or contractors (collectively, the "Other Parties") shall interfere with the use of the balance of Developmental Pathways' property or the business operations thereon, other than the Parking Easement area.
2. **Duration.** The term of the Parking Easement shall commence on the date hereof and shall continue until November 1, 2026, provided that the Parking Easement shall terminate upon the earlier expiration or termination of the aforesaid lease.
3. **No Construction/Storage.** Carmel/Hagan and Developmental Pathways, its successors and assigns, shall not construct or erect any buildings or other structures, or store any equipment, vehicles or materials, which interfere with, hinder, obstruct, block, encroach upon, or detract from use of the Exclusive Easement Area described in Section 1 above. Carmel/Hagan shall not make or permit any additions, alterations or improvements of any kind to the Exclusive Easement Area, except Carmel/Hagan, at its own cost and expense, shall reseal and restripe all parking spaces, driveways and drive lanes located on Lot 2, in accordance with a restriping plan to be approved by Developmental Pathways within 30 days from the date hereof. Carmel/Hagan shall post signs clearly indicating the parking spaces subject to the Parking Easement and will use reasonable means to restrict Aurora Loan and the Other Parties from parking in that portion of Lot 2 which is not the Exclusive Easement Area.
4. **Repair and Maintenance.** Developmental Pathways shall at all times maintain in good repair all parking improvements located in the Exclusive Easement Area; however, if Developmental Pathways fails to maintain in good repair Carmel/Hagan shall have the right to do so at Carmel/Hagan's sole cost and expense. Carmel/Hagan, its successors and assigns, will share in the expenses associated with the repair and maintenance of all parking spaces, driveways and driving lanes located on Lot 2, and in the repair, maintenance and utility costs associated with lighting such areas, based on the proportion that the number of parking spaces covered by the Parking Easement bears to the total number of parking spaces located on Lot 2 at the time such maintenance or repair is conducted.

5. **Indemnification.** Carmel/Hagan, jointly and severally shall indemnify, defend and hold harmless Developmental Pathways, its officers, directors, managers, members, employees, agents, successors and assigns (collectively, "Developmental Pathways' Indemnified Parties") from and against damages or claims arising from personal injury, death or property damage, or other loss or expense, including reasonable attorneys' fees, suffered or incurred by Developmental Pathways' Indemnified Parties in connection with the use of the Parking Easement area by Carmel/Hagan, Aurora Loan or Other Parties, provided, however, the foregoing indemnification, hold harmless and defense obligations shall not include claims, liabilities, losses, costs, expenses or damages to the extent such claims, liabilities, losses, costs, expenses and damages result from the gross negligence or willful misconduct of Developmental Pathways' Indemnified Parties or their employees, tenants, subtenants, licensees, invitees, agents or contractors.

Developmental Pathways shall indemnify, defend and hold harmless Carmel/Hagan, its managers, members, employees, agents, successors and assigns (collectively, "Carmel/Hagan's Indemnified Parties") from and against damages or claims arising from personal injury, death or property damage, or other loss or expense, including reasonable attorneys' fees, suffered or incurred by Carmel/Hagan's Indemnified Parties in connection with the use of the Parking Easement area by Developmental Pathways, provided, however, the foregoing indemnification, hold harmless and defense obligations shall not include claims, liabilities, losses, costs, expenses or damages to the extent such claims, liabilities, losses, costs, expenses or damages result from the gross negligence or willful misconduct of Carmel/Hagan's Indemnified Parties or their employees, tenants, subtenants, licensees, invitees, agents or contractors.

Carmel/Hagan shall maintain, at its cost and expense, commercial general liability insurance, naming Developmental Pathways Indemnified Parties as additional insureds, relating to the use of the Parking Easement and covering such risks as shall be commercially available and reasonably satisfactory to Carmel/Hagan and Developmental Pathways, in such amount as shall be commercially available and reasonably satisfactory to Carmel/Hagan and Developmental Pathways, and Carmel/Hagan shall furnish Developmental Pathways with an insurance certificate evidencing the same prior to any use of the Parking Easement.

6. **Assignment.** This Declaration and the Parking Easement shall be assignable by Carmel/Hagan to any purchaser of Lot 3 so long as such purchaser assumes in writing the obligations of Carmel/Hagan under this Declaration, in which event Carmel/Hagan shall be released of all liability hereunder accruing from and after the date Lot 3 is transferred to the purchaser. Carmel/Hagan will notify Developmental Pathways in writing promptly following the sale of the aforesaid Lot 3 and shall promptly provide Developmental Pathways with a copy of any assignment of this Declaration and the Parking Easement in connection with any such sale.
7. **Termination.** The termination of this Declaration and the Parking Easement upon its expiration or earlier termination as provided above shall be self-operative, provided that

Carmel/Hagan or its successor in title, as the case may be, shall promptly execute such termination agreement in recordable form with respect to this Declaration and the Parking Easement as Developmental Pathways may request. Promptly following the expiration or earlier termination of the aforesaid lease, Carmel/Hagan will notify Developmental Pathways of such expiration or termination in writing at its address set forth above, or at such other address as Developmental Pathways may provide to Carmel/Hagan in writing.

8. **Severability.** If any clause, sentence, or other portion of the terms, conditions, covenants, and restrictions of this Declaration become illegal, null, or void for any reason, or be held by any court of competent jurisdiction to be so, the remaining portions will remain in full force and effect.
9. **Governing Law.** This Declaration shall be subject to and construed in accordance with the laws of the State of Colorado.
10. **Binding on Heirs.** This Declaration shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of the undersigned, and shall remain in full force and effect, and shall obligate, inure to and pass with each and every portion of the herein described real property. This Declaration shall be for the sole benefit of the parties to this Declaration and shall not benefit any other party. Nothing contained in this Declaration shall be deemed to be a dedication of the Parking Easement to the general public, it being the intention of the parties that use of the Parking Easement be strictly limited to and for the purposes express in this Declaration.
11. **Captions.** The captions heading the various sections of this Declaration are for the convenience and identification only, and shall not be deemed to limit or define contents of the respective sections.
12. **Terms.** This Declaration and all the terms contained herein, shall be recorded and run with the herein described real property and be binding upon the owners of the herein described real property.
13. **Mortgage.** Any violation of the provisions contained herein shall not defeat or render invalid the lien of any mortgage or Deed of Trust made in good faith and for value, however, the buyer under any foreclosure sale under a Deed of Trust shall take title subject to this Declaration.
14. **Non-Merger.** No joint or common ownership of Lot 2 and Lot 3 and adjoining parcels shall create a merger so as to render invalid the effect of the easement created herein.
15. **Counterparts.** This Declaration may be executed in any number of counterparts all of which together shall constitute one and the same instrument.

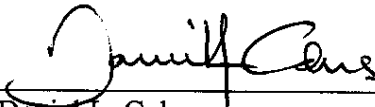
16. **Attorney's Fees.** In the event that any party commences any action or proceeding against the other in order to enforce the provisions hereof or in order to obtain damages for the alleged breach of any of the provisions hereof, the prevailing party as determined by a court of competent jurisdiction therein shall be awarded, in addition to any amounts or relief otherwise awarded, all reasonable costs incurred in connection therewith, including reasonable attorney's fees and litigation expenses.
17. **Declaration of Reciprocal Easement.** Carmel/Hagan and Developmental Pathways acknowledge that the terms and conditions contained in that certain Declaration of Reciprocal Easement Agreement granted by IHS Property Management, Inc., a Delaware corporation, recorded May 5, 2003 at Reception No. 2003065325 of the records of the Douglas County Clerk and Recorder (the "Reciprocal Easement") shall in no event supercede the terms and conditions contained in this Declaration, but may be used as a supplement hereto. The foregoing notwithstanding, Carmel/Hagan and Developmental Pathways agree that the non-exclusive parking easement for the use of nine handicapped spaces granted in the Reciprocal Easement will be located in the Exclusive Easement Area and Carmel/Hagan covenants and agrees to maintain handicapped parking spaces to accommodate at least seven cars and two vans in the Exclusive Easement Area during the term of the Parking Easement. Developmental Pathways will not have a right to use any parking spaces located in the Exclusive Easement Area, but will provide for handicapped parking for its tenants, customers, guests, employees, business invitees, successors and assigns elsewhere on Lot 2.

[Signatures Begin On Next Page]

SIGNATURE PAGE

IN WITNESS WHEREOF, Developmental Pathways and Carmel/Hagan have executed this Declaration as of the date first written above.

DEVELOPMENTAL PATHWAYS, INCORPORATED,
a Colorado non-profit corporation

By: 
Daniel L. Cohrs
Associate Executive Director and Chief Financial
Officer

CARMEL RIVER, LLC, a Delaware limited liability
company

By: *Countersigned*
Carl D. Panattoni, Trustee of Panattoni Living Trust,
dated April 8, 1998, Sole Member

HAGAN INVESTMENTS LLC, a Colorado limited liability
company

By: *Countersigned*
David Hagan, Sole and Managing Member

SIGNATURE PAGE

IN WITNESS WHEREOF, Developmental Pathways and Carmel/Hagan have executed this Declaration as of the date first written above.

DEVELOPMENTAL PATHWAYS, INCORPORATED,
a Colorado non-profit corporation

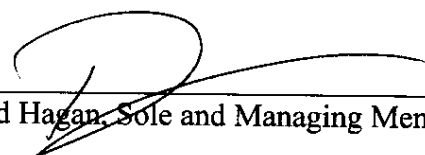
Countersigned

By: _____
Daniel L. Cohrs
Associate Executive Director and Chief Financial
Officer

CARMEL RIVER, LLC, a Delaware limited liability
company

By:  _____
Carl D. Panattoni, Trustee of Panattoni Living Trust,
dated April 8, 1998, Sole Member

HAGAN INVESTMENTS LLC, a Colorado limited liability
company

By:  _____
David Hagan, Sole and Managing Member

STATE OF COLORADO)

COUNTY OF Jeane)

The foregoing instrument was acknowledged before me on this 30 day of May, 2004, by Daniel L. Cohrs as Associate Executive Director and Chief Financial Officer of Developmental Pathways, Incorporated.

WITNESS my official hand and seal.

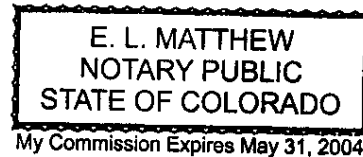
My commission expires: 5-31-04


Notary Public

[SEAL]

STATE OF California)

COUNTY OF Sacramento)



The foregoing instrument was acknowledged before me on this 17th day of May, 2004, by Carl D. Panattoni, Trustee of Panattoni Living Trust, dated April 8, 1998, as the Sole Member of Carmel River, LLC.

WITNESS my official hand and seal.

My commission expires: June 7, 2007

[SEAL]



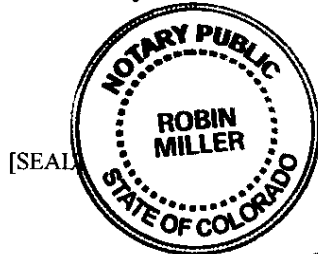

Notary Public

STATE OF Colorado)
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me on this 19th day of May, 2004, by David Hagan as Sole and Managing Member of Hagan Investments LLC.

WITNESS my official hand and seal.

My commission expires: July 3, 2005



Robin Miller
Notary Public

My Commission Expires July 3, 2005

Inverness Subdivision Filing No. 9

Exhibit "A"

Inverness Subdivision Filing No. 9

1-48 272

INVERNESS SUBDIVISION FILING NO. 9

RANGE 67 WEST OF THE 8th P.M.,
COUNTY OF DOUGLAS, STATE OF COLORADO
29.83 ACRES 3 NON-RESIDENTIAL LOTS 5262-657

ARAPAHOE COUNTY
DOUGLAS COUNTY

LOT 1

LOT 2

LOT 3

SKLD	LG	172.20.254.185	D\$	71425-2003.002
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EXHIBIT "B"
Exclusive Easement Area

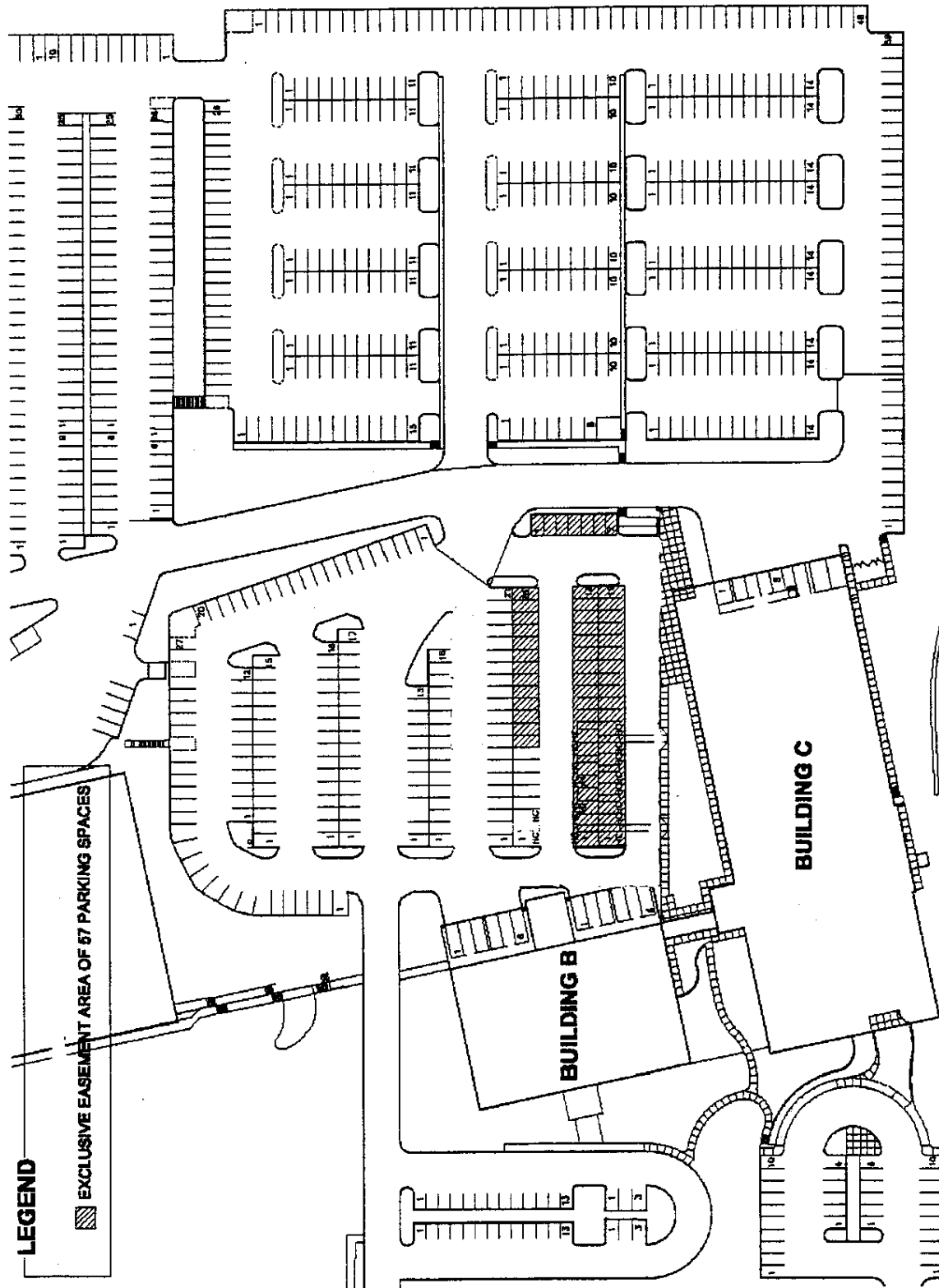


EXHIBIT "C"

PARKING AREA #1

13 PARKING SPACES

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 6 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE WEST LINE OF THE NORTHEAST QUARTER OF SECTION 2, FROM THE CENTER 1/4 CORNER TO THE NORTH 1/4 CORNER IS ASSUMED TO BEAR N 00°25'30" W;

COMMENCING AT THE NORTH QUARTER CORNER OF SECTION 2; THENCE S 24°50'03" E A DISTANCE OF 1,038.10 FEET TO THE POINT OF BEGINNING;

THENCE S 89°46'20" E A DISTANCE OF 115.76 FEET;

THENCE S 00°13'40" W A DISTANCE OF 18.00 FEET;

THENCE N 89°46'20" W A DISTANCE OF 115.76 FEET;

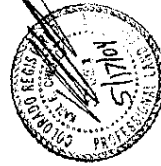
THENCE N 00°13'40" E A DISTANCE OF 18.00 FEET TO THE POINT OF BEGINNING;

CONTAINING AN AREA OF 2.084 SQUARE FEET OR 0.048 ACRES MORE OR LESS.

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT THE ATTACHED PROPERTY DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND IS ACCURATE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

KARLE E. CHESLEY
COLORADO PLS 37054
FOR AND ON BEHALF OF
MANHARD CONSULTING, LTD.
8232 EAST PARK MEADOWS DRIVE
LITTLETON, CO. 80124



PARKING AREA #2

37 PARKING SPACES

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 6 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE WEST LINE OF THE NORTHEAST QUARTER OF SECTION 2, FROM THE CENTER 1/4 CORNER TO THE NORTH 1/4 CORNER IS ASSUMED TO BEAR N 00°25'30" W;

COMMENCING AT THE NORTH QUARTER CORNER OF SECTION 2; THENCE S 20°20'02" E A DISTANCE OF 1,049.21 FEET TO THE POINT OF BEGINNING;

THENCE S 89°46'20" E A DISTANCE OF 187.00 FEET;

THENCE S 00°13'40" W A DISTANCE OF 36.50 FEET;

THENCE N 89°46'20" W A DISTANCE OF 187.00 FEET;

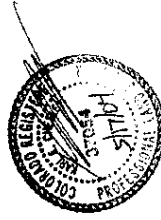
THENCE N 00°13'40" E A DISTANCE OF 36.50 FEET TO THE POINT OF BEGINNING;

CONTAINING AN AREA OF 6,826 SQUARE FEET OR 0.157 ACRES MORE OR LESS.

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT THE ATTACHED PROPERTY DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND IS ACCURATE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

KARL E. CHESLEY
COLORADO PLS 37054
FOR AND ON BEHALF OF
MANHARD CONSULTING, LTD.
8232 EAST PARK MEADOWS DRIVE
LITTLETON, CO. 80124



PARKING AREA #3

7 PARKING SPACES

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 6 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE WEST LINE OF THE NORTHEAST QUARTER OF SECTION 2, FROM THE CENTER 1/4 CORNER TO THE NORTH 1/4 CORNER IS ASSUMED TO BEAR N 00°25'30" W;

COMMENCING AT THE NORTH QUARTER CORNER OF SECTION 2; THENCE S 31°24'00" E A DISTANCE OF 1,125.60 FEET TO THE POINT OF BEGINNING;

THENCE S 89°46'20" E A DISTANCE OF 18.00 FEET;
THENCE S 00°13'40" W A DISTANCE OF 60.45 FEET;
THENCE N 89°46'20" W A DISTANCE OF 18.00 FEET;

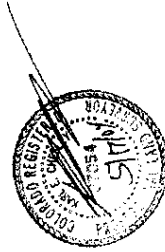
THENCE N 00°13'40" E A DISTANCE OF 60.45 FEET TO THE POINT OF BEGINNING;

CONTAINING AN AREA OF 1,088 SQUARE FEET OR 0.025 ACRES MORE OR LESS.

SURVEYOR'S CERTIFICATE

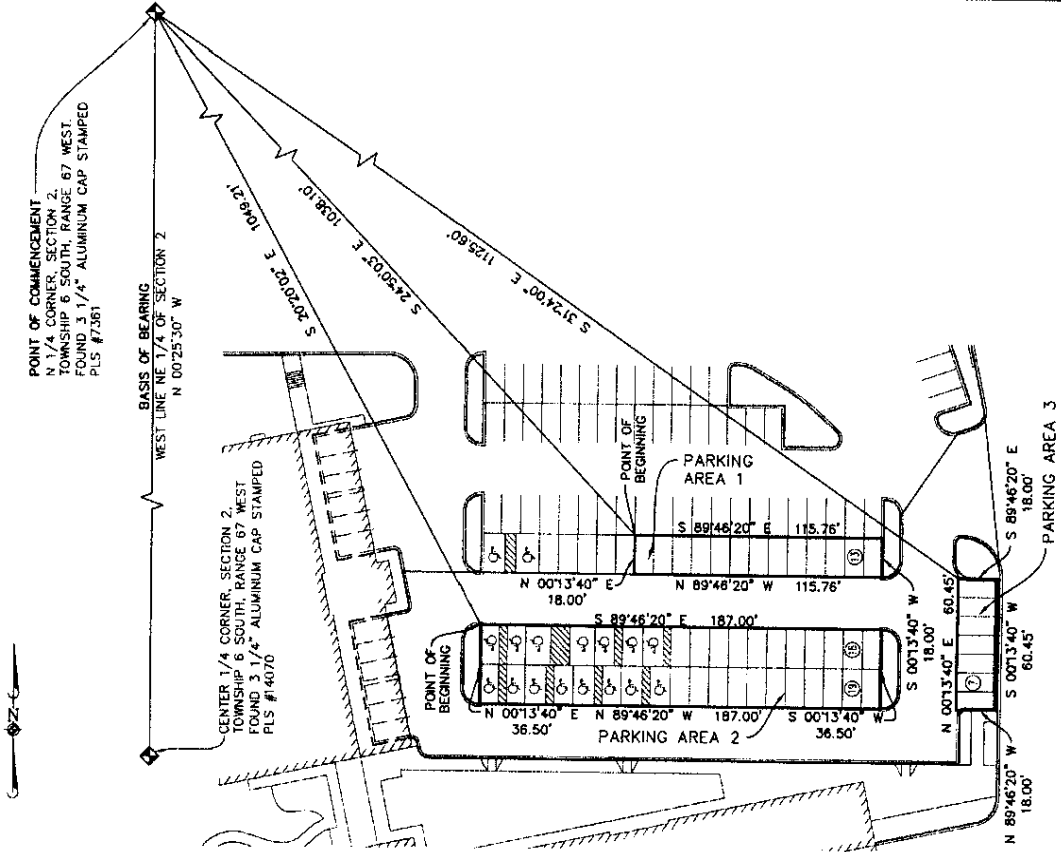
I HEREBY CERTIFY THAT THE ATTACHED PROPERTY DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND IS ACCURATE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

KARL E. CHESLEY
COLORADO PLS 37034
FOR AND ON BEHALF OF
MANHARD CONSULTING, LTD.
8232 EAST PARK MEADOWS DRIVE
LITTLETON, CO. 80124



INVERNESS SUBDIVISION FILING NO. 9

A PART OF THE NORTH EAST 1/4 OF SECTION 2, TOWNSHIP 6 SOUTH,
RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN
COUNTY OF DOUGLAS, STATE OF COLORADO



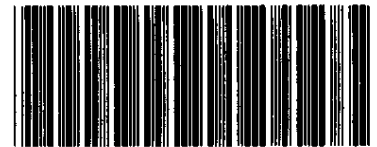
THIS SURVEY DOES NOT
REPRESENT A MONUMENTED
SURVEY. IT IS INTENDED
TO DESCRIBE THE ATTACHED
DESCRIPTION.

MANHARD CONSULTING, INC.
ENGINEERS - SURVEYORS
ENVIRONMENTAL SCIENTISTS
8233 E. Park Meadows Dr., Suite 400, Aurora, Colorado 80014
Tel: 303/768-6066 Fax: 303/768-4008 Web: www.manhard.com

INVERNESS SUBDIVISION FILING NO. 9
COUNTY OF DOUGLAS, STATE OF COLORADO
PARKING AREA EXHIBIT

DATE: 04/21/04 SCALE: 1"=50' DRAWN BY: J.C. CHECKED BY: J.C. PROJECT: 48990

4-4



2004052353 10 PGS

RECORDED AT THE REQUEST OF
AND WHEN RECORDED RETURN TO:

Panattoni Law Firm
1770 Moriah Woods Blvd.
Suite 12A
Memphis, TN 38117
Attn: Melody Oliver

FOR RECORDER'S USE ONLY

OFFICIAL RECORDS
DOUGLAS COUNTY CO
CAROLE R. MURRAY
CLERK & RECORDER
RECORDING FEE: \$51.00
10 PGS

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05/21/2004 02:35 PM

DECLARATION OF EASEMENT
(Utilities)

This Declaration of Easement (the "Declaration") is made as of May 20, 2004, between DEVELOPMENTAL PATHWAYS, INCORPORATED, a Colorado non-profit corporation ("Developmental Pathways"), having an address of 325 Inverness Drive South, Englewood, Colorado 80112, on the one hand, and CARMEL RIVER, LLC, a Delaware limited liability company, and HAGAN INVESTMENTS LLC, a Colorado limited liability company, (collectively, "Carmel/Hagan"), having an address of 8401 Jackson Avenue, Sacramento, California 95826, on the other hand.

RECITALS

A. Carmel/Hagan is the owner of that certain real property located in the County of Douglas, State of Colorado, being Lot 3 ("Lot 3"), Inverness Subdivision Filing No. 9, commonly known as 327 Inverness Drive South, Building C, as more particularly depicted on Exhibit "A", attached hereto and made a part hereof.

B. Developmental Pathways is the owner of that certain real property located in the County of Douglas, State of Colorado, being Lot 2 ("Lot 2"), Inverness Subdivision Filing No. 9, commonly known as 325 Inverness Drive South, Building B, as more particularly depicted on Exhibit "A", attached hereto and made a part hereof.

C. The parties wish to establish an easement for certain existing utilities located on Lot 3 which may serve Building B and related landscaping and parking areas located on Lot 2, and for certain existing utilities located on Lot 2 which may serve Building C and related landscaping and parking areas located on Lot 3, and to memorialize their agreement regarding any shared utilities.

NOW, THEREFORE, in consideration of the above Recitals, Carmel/Hagan and Developmental Pathways declare as follows:

1. **Declaration of Easements.** Developmental Pathways, for itself, and its successors and assigns, hereby declares and grants, for the benefit of Carmel/Hagan, its successors and assigns, without any representation or warranty whatsoever, a non-exclusive, perpetual utility easement

over, under and across Lot 2 for any existing electrical, gas, water, sewer, cable television, fiber optic, telephone or other utility line, pipe, cable, manhole, pedestal, valve, vault, conduit or other utility structure located on Lot 2 which provides utility service to the Building C and related landscaping and parking areas located on Lot 3. Carmel/Hagan, for itself and its successors and assigns, hereby declares and grants, for the benefit of Development Pathways, its successors and assigns, without any representation or warranty whatsoever, a non-exclusive, perpetual utility easement over, under and across Lot 3 for any existing electrical, gas, water, sewer, cable television, fiber optic, telephone or other utility line, pipe, cable, manhole, pedestal, valve, vault, conduit or other utility structure located on Lot 3 which provides utility service to the Building B and related landscaping and parking areas located on Lot 2. Any utilities subject to the easements granted in this paragraph are called "Existing Utilities". To the extent a public or private utility company is responsible for repairing, maintaining and operating an Existing Utility or is the owner of an Existing Utility, the easement for such Existing Utility contained in this Declaration will be deemed to be granted to the utility company and will constitute a perpetual easement in gross that is assignable to the successor of any such utility company. The width of the easement for any Existing Utility granted herein will be the minimum width necessary for the beneficiary of the easement to be able to repair, maintain, service, reconstruct, replace and operate the Existing Utility.

2. **Non-Disturbance and Relocation.** Developmental Pathways will take no action and will not permit any lessee, licensee, invitee, agent, employee or contractor of Developmental Pathways to take any action, which may disturb any Existing Utility located on Lot 2, or which may interfere with the repair, maintenance, service, reconstruction, replacement or operation of any Existing Utility. Notwithstanding the foregoing, Developmental Pathways shall be entitled, at its sole cost and expense, to relocate any Existing Utility located on Lot 2 so long as such relocation does not unreasonably disrupt utility service to Building C and Lot 3. Carmel/Hagan will take no action and will not permit any lessee, licensee, invitee, agent, employee or contractor of Carmel/Hagan to take any action, which may disturb any Existing Utility located on Lot 3, or which may interfere with the repair, maintenance, service, reconstruction, replacement or operation of any Existing Utility. Notwithstanding the foregoing, Carmel/Hagan shall be entitled, at its sole cost and expense, to relocate any Existing Utility located on Lot 3 so long as such relocation does not unreasonably disrupt utility service to Building B and Lot 2.

3. **Shared Utilities.** To the extent, if any, utilities serving Building C and the related landscaping and parking areas located on Lot 3 are metered or otherwise charged to the owner of Lot 2, or utilities serving Building B and the related landscaping and parking areas located on Lot 2 are metered or otherwise charged to the owner of Lot 3, any of the foregoing being called a "Shared Utility", the parties agree to develop a fair and equitable formula for apportioning the cost of the Shared Utility between Lots 2 and 3, based on usage, and to memorialize the agreement regarding such apportionment by executing and recording an amendment to this Declaration. The parties acknowledge that a fair and equitable formula for allocating the cost of one Shared Utility may not be an appropriate allocation based on usage for another Shared Utility. The party owning the lot on which a Shared Utility is located shall maintain or cause the utility company to maintain in good working order the portion of the Shared Utility located on such lot so as to minimize leakage and waste. In the event the owners of Lots 2 and 3 are unable to agree on a method of apportioning any Shared Utility, either lot owner may refer the matter to binding arbitration before a single arbitrator in Denver, Colorado. The arbitration shall be

conducted by The Judicial Arbiter Group, Inc. or, if The Judicial Arbiter Group, Inc. is not available, by the American Arbitration Association or another arbitral body agreed upon by the parties to the dispute. The arbitrator shall have authority to order specific performance and injunctive relief. The party against whom an action for specific performance or injunctive relief is brought hereby waives the claim or defense that an adequate remedy at law exists. The decision of the arbitrator will be final and binding judgment on the decision, including a monetary award, may be entered by any court of competent jurisdiction. This agreement to arbitrate shall be specifically enforceable. The prevailing party in any arbitration shall be awarded all costs and expenses, including fees of the arbitrator and reasonable attorneys' fees incurred in connection with the arbitration.

4. **Separation of Utilities.** Either party may undertake a physical separation of any Shared Utility at that party's sole cost and expense, with reasonable prior written notice to the other party. Any party exercising its right to separate a Shared Utility ("Exercising Party") shall be required, at its sole cost and expense (a) to repair any damage caused by such separation, (b) to restore the other party's "(Non-Exercising Party's)" parking areas, driveways, building and grounds, and (c) to create a closed utility system for the Shared Utility located entirely on the Non-Exercising Party's lot, including, to the extent required, purchasing utility meters and taps. The excavation, construction, separation, repair and restoration work in connection with the separation of any Shared Utility (the "Work") shall be performed in accordance with plans and specifications previously approved by the Non-Exercising Party, in its reasonable discretion, and in a good and workmanlike manner, and shall comply with all applicable code requirements. The Exercising Party shall use its best efforts to minimize any interruption of or interference with the business activities of the Non-Exercising Party resulting from the Work.

If the Non-Exercising Party so requires, the Exercising Party shall post a bond or other security for the benefit of the Non-Exercising Party and its lender in an amount equal to one hundred thirty percent (130%) times the cost of the Work, including costs for the excavation, construction, reconstruction, restoration, repair and landscaping work for the entire project (e.g., the costs associated with the Work to be performed on both lots), application and permitting costs, and the cost of engineers and other consultants. The Exercising Party shall keep the lot of the Non-Exercising Party free and clear of all mechanic's and materialmen's liens associated with the Work and shall indemnify and hold harmless the Non-Exercising Party and its lender from and against any and all damages, claims, losses, costs, liabilities and expenses whatsoever, including reasonable attorneys' fees, arising out of, or in any way relating to, a breach by the Exercising Party of the provisions of this paragraph 4. If, as a result of an application for site plan review, lot line adjustment, variance, building permit or other request for authorization or approval made by Developmental Pathways or Carmel/Hagan to Douglas County, the Inverness Park Architectural Control Committee or other private or public authorities having jurisdiction over Lots 2 and 3, a requirement for separation of a Shared Utility is imposed, the party making such application or request will be deemed the Exercising Party for purposes of this Agreement.

5. **Indemnification.** Carmel/Hagan, jointly and severally, shall indemnify, defend and hold harmless Developmental Pathways, its officers, directors, managers, members, employees, agents, successors and assigns (collectively, "Developmental Pathways' Indemnified Parties") from and against damages or claims arising from personal injury, death or property damage, or other loss or expense, including reasonable attorneys' fees, suffered or incurred by

Developmental Pathways' Indemnified Parties in connection with the damage to or disruption of transmission, distribution or service of Shared Utilities by Carmel/Hagan or Aurora Loan Services, Inc., its successors and assigns and its employees and invitees, provided, however, the foregoing indemnification, hold harmless and defense obligations shall not include claims, liabilities, losses, costs, expenses or damages to the extent such claims, liabilities, losses, costs, expenses and damages result from the gross negligence or willful misconduct of Developmental Pathways' Indemnified Parties or their employees, tenants, subtenants, licensees, invitees, agents or contractors.

Developmental Pathways shall indemnify, defend and hold harmless Carmel/Hagan, its managers, members, employees, agents, successors and assigns (collectively, "Carmel/Hagan's Indemnified Parties") from and against damages or claims arising from personal injury, death or property damage, or other loss or expense, including reasonable attorneys' fees, suffered or incurred by Carmel/Hagan's Indemnified Parties in connection with damage to or disruption of transmission, distribution or service of Shared Utilities by Developmental Pathways, provided, however, the foregoing indemnification, hold harmless and defense obligations shall not include claims, liabilities, losses, costs, expenses or damages to the extent such claims, liabilities, losses, costs, expenses or damages result from the gross negligence or willful misconduct of Carmel/Hagan's Indemnified Parties or their employees, tenants, subtenants, licensees, invitees, agents or contractors.

6. **Severability.** If any clause, sentence, or other portion of the terms, conditions, covenants, and restrictions of this Declaration become illegal, null, or void for any reason, or be held by any court of competent jurisdiction to be so, the remaining portions will remain in full force and effect.

7. **Governing Law.** This Declaration shall be subject to and construed in accordance with the laws of the State of Colorado.

8. **Binding on Heirs.** This Declaration shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of the undersigned, and shall remain in full force and effect, and shall obligate, inure to and pass with each and every portion of the herein described real property. This Declaration shall be for the sole benefit of the parties to this Declaration and shall not benefit any other party. Nothing contained in this Declaration shall be deemed to be a dedication of any utility easements to the general public, it being the intention of the parties that use of any utility easements granted herein be strictly limited to and for the purposes express in this Declaration.

9. **Captions.** The captions heading the various sections of this Declaration are for the convenience and identification only, and shall not be deemed to limit or define contents of the respective sections. Terms used with initial capital letters will have the meanings specified, applicable to both singular and plural forms, for all purposes.

10. **Terms.** This Declaration and all the terms contained herein, shall be recorded and run with the herein described real property and be binding upon the owners of the herein described real property.


11. **Mortgage.** Any violation of the provisions contained herein shall not defeat or render invalid the lien of any mortgage or Deed of Trust made in good faith and for value, however, the buyer under any foreclosure sale under a Deed of Trust shall take title subject to this Declaration.
12. **Non-Merger.** No joint or common ownership of Lot 2 and Lot 3 and adjoining parcels shall create a merger so as to render invalid the effect of the easement created herein.
13. **Counterparts.** This Declaration may be executed in any number of counterparts all of which together shall constitute one and the same instrument.
14. **Attorney's Fees.** In the event that any party commences any action or proceeding against the other in order to enforce the provisions hereof or in order to obtain damages for the alleged breach of any of the provisions hereof, the prevailing party as determined by a court of competent jurisdiction therein shall be awarded, in addition to any amounts or relief otherwise awarded, all reasonable costs incurred in connection therewith, including reasonable attorney's fees and litigation expenses.

[Signatures Begin On Next Page]

SIGNATURE PAGE

IN WITNESS WHEREOF, Developmental Pathways and Carmel/Hagan, have executed this Declaration as of the date first written above.

DEVELOPMENTAL PATHWAYS, INCORPORATED,
a Colorado non-profit corporation

By: 
Daniel L. Cohrs
Associate Executive Director and Chief Financial
Officer

CARMEL RIVER, LLC,
a Delaware limited liability company

Countersigned

By: _____
Carl D. Panattoni, Trustee of Panattoni Living
Trust, dated April 8, 1998, Sole Member

HAGAN INVESTMENTS LLC, a Colorado limited
liability company

Countersigned

By: _____
David Hagan, Sole and Managing Member

SIGNATURE PAGE


IN WITNESS WHEREOF, Developmental Pathways and Carmel/Hagan, have executed this Declaration as of the date first written above.

DEVELOPMENTAL PATHWAYS, INCORPORATED,
a Colorado non-profit corporation


Countersigned

By: _____
Daniel L. Cohrs
Associate Executive Director and Chief Financial
Officer

CARMEL RIVER, LLC,
a Delaware limited liability company

By:  _____
Carl D. Panattoni, Trustee of Panattoni Living
Trust, dated April 8, 1998, Sole Member

HAGAN INVESTMENTS LLC, a Colorado limited
liability company

By:  _____
David Hagan, Sole and Managing Member

STATE OF COLORADO)
COUNTY OF Denver)

The foregoing instrument was acknowledged before me on this 20 day of May, 2004, by Daniel L. Cohrs as Associate Executive Director and Chief Financial Officer of Developmental Pathways, Incorporated.

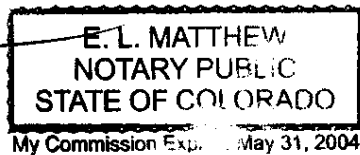
WITNESS my official hand and seal.

My commission expires: 5-31-04

[SEAL]

STATE OF _____)
COUNTY OF _____)

Notary Public



The foregoing instrument was acknowledged before me on this _____ day of May, 2004, by Carl D. Panattoni, Trustee of Panattoni Living Trust, dated April 8, 1998, as the Sole Member of Carmel River, LLC.

WITNESS my official hand and seal.

Countersigned

My commission expires: _____

Notary Public

[SEAL]

STATE OF _____)
COUNTY OF _____)

The foregoing instrument was acknowledged before me on this _____ day of May, 2004, by David Hagan as Sole and Managing Member of Hagan Investments LLC.

WITNESS my official hand and seal.

My commission expires: _____

Countersigned

Notary Public

[SEAL]

STATE OF COLORADO)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me on this _____ day of May, 2004, by Daniel L. Cohrs as Associate Executive Director and Chief Financial Officer of Developmental Pathways, Incorporated.

WITNESS my official hand and seal.

My commission expires: _____

Countersigned

[SEAL]

Notary Public

STATE OF California)
)
COUNTY OF Sacramento)

The foregoing instrument was acknowledged before me on this 17th day of May, 2004, by Carl D. Panattoni, Trustee of Panattoni Living Trust, dated April 8, 1998, as the Sole Member of Carmel River, LLC.

WITNESS my official hand and seal.

My commission expires: June 7, 2007



Katina K. Woodbury
Notary Public

[SEAL]

STATE OF Colorado)
)
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me on this 19th day of May, 2004, by David Hagan as Sole and Managing Member of Hagan Investments LLC.

WITNESS my official hand and seal.

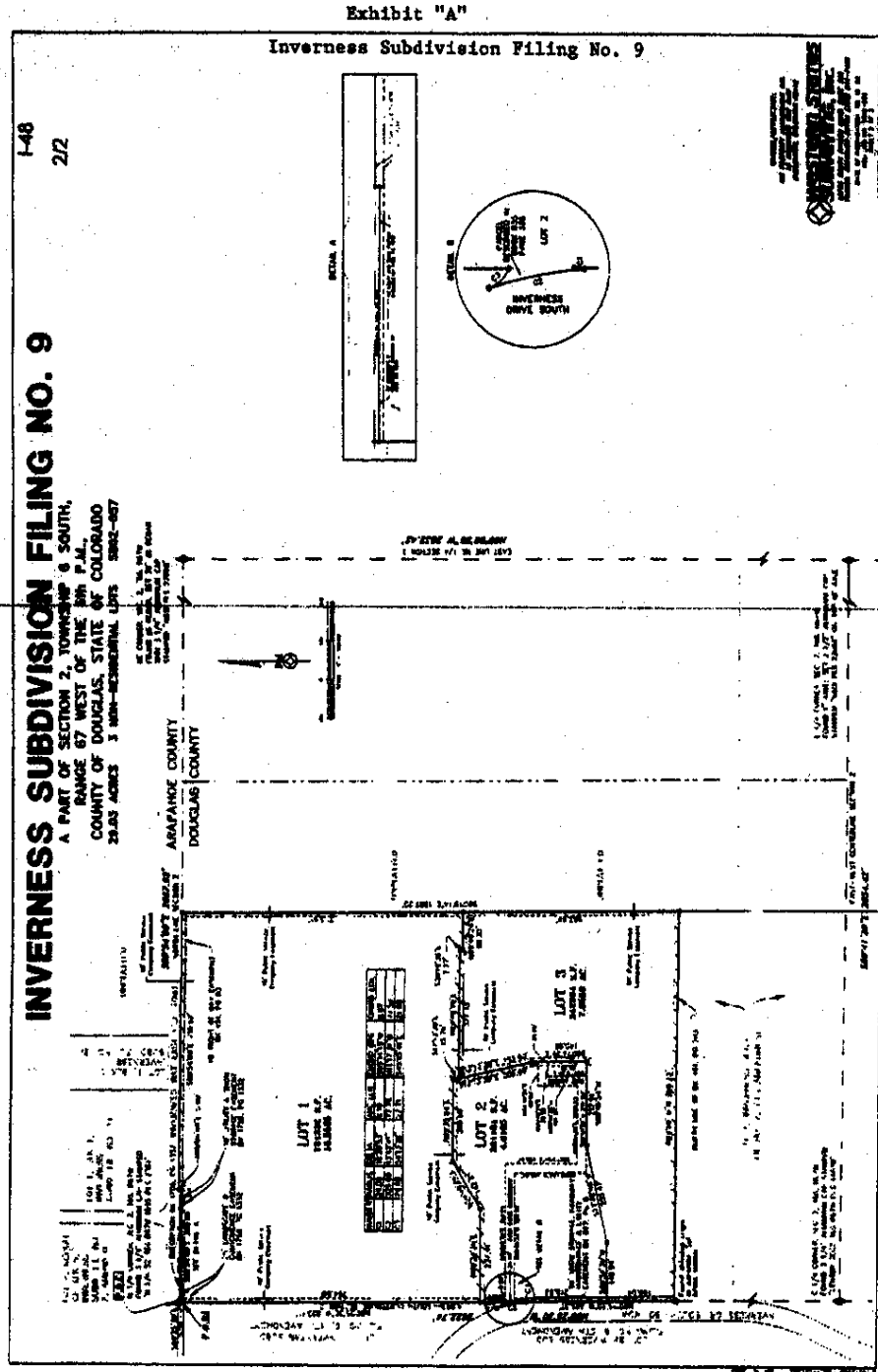
My commission expires: July 3, 2005



Robin Miller
Notary Public

[SEAL]

EXHIBIT "A" **Inverness Subdivision Filing No. 9**

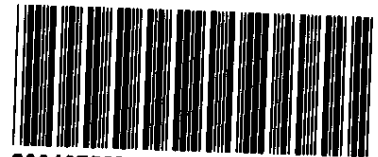


SKLD LG 172.20.254.185 DS 71425-2003.002

RECORDED AT THE REQUEST OF
AND WHEN RECORDED RETURN TO:

Panattoni Law Firm
1770 Moriah Woods Blvd.
Suite 12A
Memphis, TN 38117
Attn: Melody Oliver

FOR RECORDER'S



2004052354 9 PGS

OFFICIAL RECORDS
DOUGLAS COUNTY CO
CAROLE R. MURRAY
CLERK & RECORDER
RECORDING FEE: \$46.00
9 PGS

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05/21/2004 02:35 PM

AGREEMENT REGARDING BUILDING CONNECTOR

This Agreement Regarding Building Connector (this "Agreement") is made as of May 20, 2004 between DEVELOPMENTAL PATHWAYS, INCORPORATED, a Colorado non-profit corporation ("Developmental Pathways"), having an address of 325 Inverness Drive South, Englewood, Colorado 80112, on the one hand, and CARMEL RIVER, LLC, a Delaware limited liability company, and HAGAN INVESTMENTS LLC, a Colorado limited liability company (collectively, "Carmel/Hagan"), having an address of 8401 Jackson Avenue, Sacramento, California 95826, on the other hand.

RECITALS

A. Carmel/Hagan is the owner of that certain real property located in the County of Douglas, State of Colorado, being Lot 3 ("Lot 3"), Inverness Subdivision Filing No. 9, commonly known as 327 Inverness Drive South, including the office building commonly known as Building C ("Building C"), as more particularly depicted on Exhibit "A", attached hereto and made a part hereof.

B. Developmental Pathways is the owner of that certain real property located in the County of Douglas, State of Colorado, being Lot 2 ("Lot 2"), Inverness Subdivision Filing No. 9, commonly known as 325 Inverness Drive South, including the office building commonly known as Building B ("Building B"), as more particularly depicted on Exhibit "A", attached hereto and made a part hereof.

C. Building C and Building B are connected by an enclosed corridor which is permanently attached to the buildings (the "Building Connector"). One portion of the Building Connector lies on Lot 2 and the remaining portion of the Building Connector lies on Lot 3.

D. The parties wish to memorialize their agreements and understandings regarding the Building Connector.

NOW THEREFORE, in consideration of the above Recitals, Developmental Pathways and Carmel/Hagan agree as follows:

AGREEMENTS

1. Restriction of Access. Developmental Pathways and Carmel/Hagan each agrees to prohibit access to the Building Connector by employees, tenants, subtenants, licensees,

invitees, agents, and contractors who seek to enter the Building Connector at the point it is attached to its building. Developmental Pathways will keep the door between Building B and the Building Connector locked at all times. Carmel/Hagan will keep the door between Building C and the Building Connector locked at all times. In addition, each party will have a right, but no obligation, to install drywall or another permanent barrier across the portion of the Building Connector which attaches to its building so long as such installation complies with all applicable fire and building codes. Neither Developmental Pathways nor Carmel/Hagan will permit any furniture, equipment or other property to be stored in the Building Connector.

2. Insurance. Each party will keep the portion of the Building Connector located on its lot insured at 100% of replacement cost on an "All Risk" policy form covering such risks as shall be commercially available and mutually satisfactory to Developmental Pathways and Carmel/Hagan. Each party shall furnish the other with an insurance certificate evidencing such coverage within ten days following the date of this Agreement and on each annual anniversary of this Agreement thereafter. Developmental Pathways and Carmel/Hagan each waives any and all rights to recover against the other or their respective officers, directors, managers, members, employees and agents, for any loss or damage to such waiving party, arising from any cause, to the extent covered by any valid and collectible property insurance required to be carried under this Agreement or any other property damage insurance actually carried by such party. Such waiver shall be effective only to the extent covered by property damage policies in force and in effect with respect to such damage or loss and provided that such release does not adversely affect or impair such policies or prejudice the right of the releasing party to recover under such policies. Developmental Pathways and Carmel/Hagan shall arrange for endorsements waiving subrogation rights to be issued by their insurers, if such waiver is not already included in their respective property insurance policies.

3. Removal of Building Connector. Each party to this Agreement shall have a right, but not an obligation, at any time but with reasonable prior notice to the other party, to remove the Building Connector at its sole cost and expense. Any party exercising its right to remove the Building Connector (an "Exercising Party") shall be required, at its sole cost and expense, to repair any damage to the other party's ("Non-Exercising Party's") building and grounds caused by such removal. Such repair shall include the installation of a permanent "fill-in" wall where the Building Connector had been attached that is constructed of the same materials and matched to the interior and exterior finishes of adjacent construction in the Non-Exercising Party's building and meets all applicable code requirements. In addition, the Exercising Party must improve the portion of the Non-Exercising Party's lot where the Building Connector was located with irrigated landscaping, patio, sidewalk or other material acceptable to such Non-Exercising Party in its reasonable discretion, all at the Exercising Party's cost and expense. All work in connection with the removal of the Building Connector and restoration and repair of the buildings and grounds following such removal (collectively, the "Work") shall be performed in a good and workmanlike manner in accordance with plans and specifications previously approved by the Non-Exercising Party in its reasonable discretion. If the Non-Exercising Party so requires, the Exercising Party shall post a bond or other security for the benefit of the Non-Exercising Party and its lender in an amount equal to one hundred thirty percent (130%) times the cost of the Work, including costs for the demolition, removal, reconstruction, repair and landscaping work for the entire project (e.g., the costs associated with the Work to be performed on both lots), application and permitting costs, and the costs of engineers and other consultants.

The Exercising Party shall keep the lot of the Non-Exercising Party free and clear of all mechanic's and materialmen's liens associated with the Work and shall indemnify and hold harmless the Non-Exercising Party and its lender from and against any and all damages, claims, losses, costs, liabilities and expenses whatsoever, including reasonable attorneys fees, arising out of, or in any way relating to, a breach by the Exercising Party of the provisions of this paragraph 3. If, as a result of an application for site plan review, lot line adjustment, variance, building permit or other request for authorization or approval made by Developmental Pathways or Carmel/Hagan to Douglas County, the Inverness Park Architectural Control Committee or other private or public authorities having jurisdiction over Lots 2 and 3, a requirement for removal of the Building Connector is imposed, the party making such application or request will be deemed the Exercising Party for purposes of this Agreement.

4. Termination. This Agreement shall continue in perpetuity unless and until the Building Connector is removed in accordance with the requirements of paragraph 3. If and when the Building Connector is removed in accordance with said paragraph 3, this Agreement shall terminate automatically. Developmental Pathways and Carmel/Hagan agree to execute a termination agreement in recordable form, if at any time the Building Connector is removed.

5. Compliance by Other Parties. Developmental Pathways and Carmel/Hagan each will cause their employees, tenants, subtenants, licensees, invitees, agents and contractors, to comply with the provisions of paragraph 1 of this Agreement.

6. Miscellaneous.

(a) This Agreement will be binding upon, and inure to the benefit of, the parties to this Agreement and their respective successors and assigns, shall remain in full force and effect, and shall obligate, inure to and pass with each and every portion of Lots 2 and 3, and the owners of such land, unless and until this Agreement is terminated in accordance with paragraph 4. This Agreement shall be recorded in the Douglas County real estate records.

(b) This Agreement may be amended or modified only by a written document that is designated as an amendment and is signed by Developmental Pathways and Carmel/Hagan.

(c) This Agreement shall be governed by, and construed in accordance with, the laws of the State of Colorado, without giving effect to conflicts of law principles.

(d) This Agreement contains the entire agreement of the parties and supercedes all prior understandings and agreements, whether oral or written, relating to the subject matter of this Agreement.

(e) This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but such counterparts when taken together shall constitute but one Agreement.

(f) No course of dealing will be deemed to amend or discharge any provision of this Agreement. No delay in the exercise of any right will operate as a waiver of such right. No single or partial exercise of any right will preclude its further exercise. A waiver of any right

on any one occasion will not be construed as a bar to, or waiver of, any such right on any other occasion.

(g) Wherever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law. However, if for any reason any one or more of the provisions of this Agreement are held to be invalid, illegal or unenforceable in any respect, such action will not affect any other provision of this Agreement. In that event, this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained in it.

(h) Any violation of the provisions of this Agreement shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, however, the buyer at any foreclosure sale under a deed of trust shall take title subject to this Agreement.

(i) Article and section titles have been inserted for convenience of reference only. They are not intended to affect the meaning or interpretation of this Agreement.

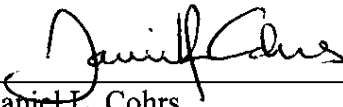
(j) In the event that any party commences any action or proceeding against the other in order to enforce the provisions hereof or in order to obtain damages for the alleged breach of any of the provisions hereof, the prevailing party, as determined by a court of competent jurisdiction therein, shall be awarded, in addition to any amounts or relief otherwise awarded, all reasonable costs incurred in connection therewith, including reasonable attorney's fees and litigation expenses.

[Signatures Begin On Next Page]

SIGNATURE PAGE

IN WITNESS WHEREOF, Developmental Pathways and Carmel/Hagan have executed this Declaration as of the date first written above.

DEVELOPMENTAL PATHWAYS, INCORPORATED,
a Colorado non-profit corporation

By: 
Daniel L. Cohrs
Associate Executive Director and Chief Financial
Officer

CARMEL RIVER, LLC, a Delaware limited liability
company

Countersigned

By: _____
Carl D. Panattoni, Trustee of Panattoni Living
Trust, dated April 8, 1998, Sole Member

HAGAN INVESTMENTS LLC, a Colorado limited
liability company

Countersigned

By: _____
David Hagan, Sole and Managing Member

SIGNATURE PAGE


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a Colorado non-profit corporation


Countersigned

By: _____
Daniel L. Cohrs
Associate Executive Director and Chief Financial
Officer

CARMEL RIVER, LLC, a Delaware limited liability
company

By:  _____
Carl D. Panattoni, Trustee of Panattoni Living
Trust, dated April 8, 1998, Sole Member

HAGAN INVESTMENTS LLC, a Colorado limited
liability company

By:  _____
David Hagan, Sole and Managing Member

STATE OF COLORADO)
COUNTY OF JEANES)

The foregoing instrument was acknowledged before me on this 20 day of May, 2004, by Daniel L. Cohrs as Associate Executive Director and Chief Financial Officer of Developmental Pathways, Incorporated.

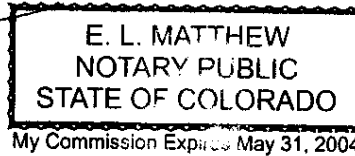
WITNESS my official hand and seal.

My commission expires: 5-31-04

[SEAL]

STATE OF _____)
COUNTY OF _____)

Notary Public



The foregoing instrument was acknowledged before me on this _____ day of May, 2004, by Carl D. Panattoni, Trustee of Panattoni Living Trust, dated April 8, 1998, as the Sole Member of Carmel River, LLC.

WITNESS my official hand and seal.

My commission expires: _____

Countersigned

Notary Public

[SEAL]

STATE OF _____)
COUNTY OF _____)

The foregoing instrument was acknowledged before me on this _____ day of May, 2004, by David Hagan as Sole and Managing Member of Hagan Investments LLC.

WITNESS my official hand and seal.

My commission expires: _____

Countersigned

Notary Public

[SEAL]

STATE OF COLORADO)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me on this _____ day of May, 2004, by Daniel L. Cohrs as Associate Executive Director and Chief Financial Officer of Developmental Pathways, Incorporated.

WITNESS my official hand and seal.

My commission expires: _____

Countersigned

Notary Public

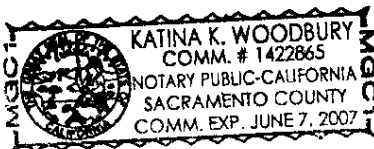
[SEAL]

STATE OF California)
)
COUNTY OF Sacramento)

The foregoing instrument was acknowledged before me on this 17th day of May, 2004, by Carl D. Panattoni, Trustee of Panattoni Living Trust, dated April 8, 1998, as the Sole Member of Carmel River, LLC.

WITNESS my official hand and seal.

My commission expires: June 7, 2007



Kat K Woodbury
Notary Public

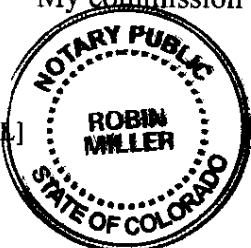
[SEAL]

STATE OF Colorado)
)
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me on this 19th day of May, 2004, by David Hagan as Sole and Managing Member of Hagan Investments LLC.

WITNESS my official hand and seal.

My commission expires: July 3, 2005



Robin Miller
Notary Public

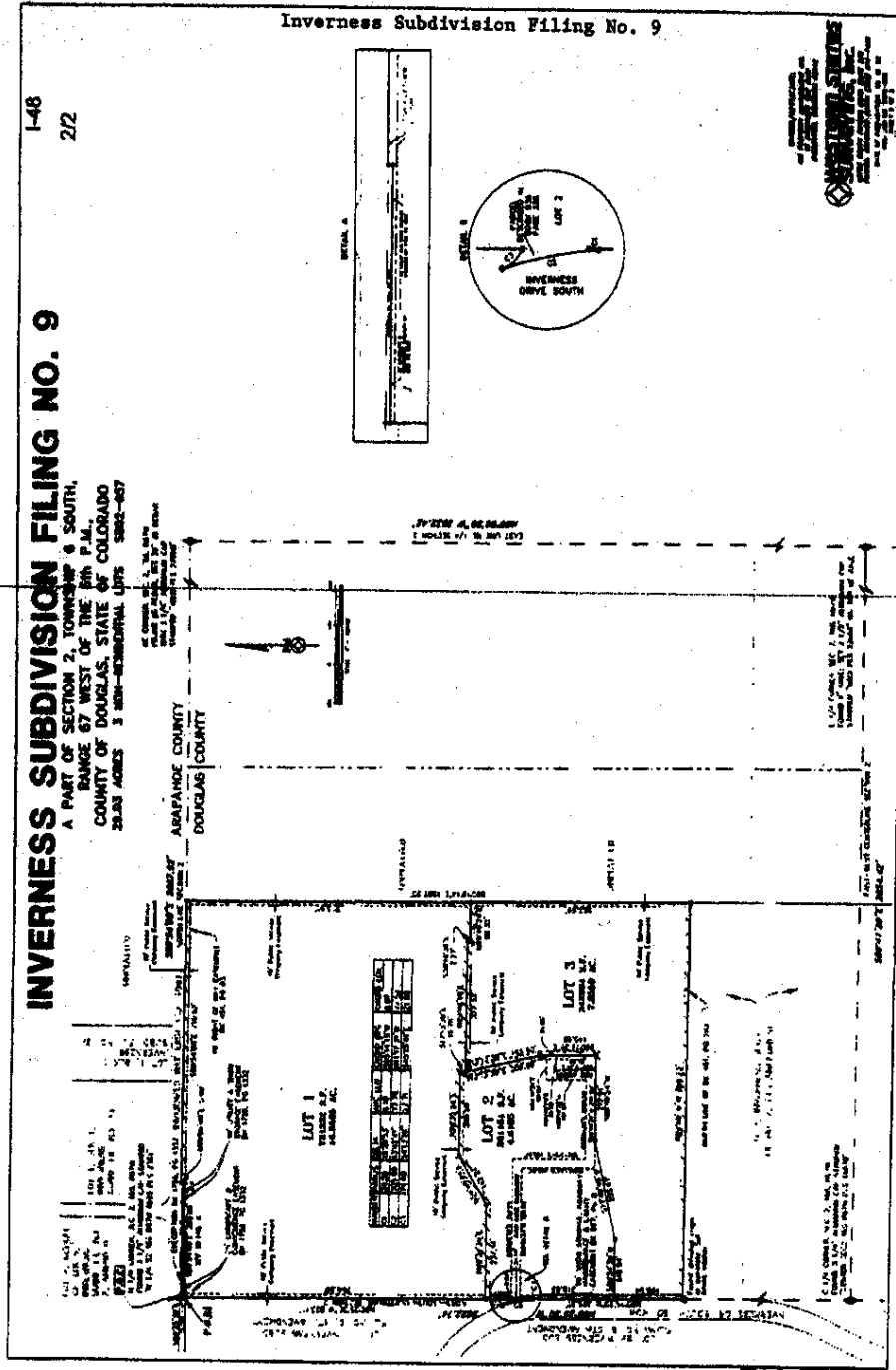
[SEAL]

My Commission Expires July 3, 2005

Inverness Subdivision Filing No. 9

Exhibit "A"

Inverness Subdivision Filing No. 9



SKLD LG 172.20.254.185 DS 71425-2003.002