

## MANAGEMENT AGREEMENT

This **MANAGEMENT AGREEMENT** (the "Agreement") is made and effective as of the 1st day of July, 2011, by and between **BRIGHTON CROSSING METROPOLITAN DISTRICT NO. 4**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District") and the **BRIGHTON CROSSING MASTER ASSOCIATION, INC.**, a Colorado nonprofit corporation (the "HOA").

### RECITALS

WHEREAS, the District was organized under its former name, Bromley Park Metropolitan District No. 4, to provide those services and to exercise powers as more specifically set forth in the Service Plan for Bromley Park Metropolitan District No. 4, approved by Adams County in September of 1984 (the "Service Plan") which authorized provision of such services to the community commonly known as Brighton Crossing in Adams County, Colorado (the "Community"); and

WHEREAS, the Service Plan granted the District all the powers of a metropolitan district as described in Title 32, C.R.S.; and

WHEREAS, the District currently provides various services to the Community, including the operation and maintenance of a clubhouse, pool and landscaping associated with park areas for which it charges an Operations Fee (the "Recreation Services");

WHEREAS, pursuant to Section 32-1-1001(1)(d)(I), C.R.S., the District is permitted to enter into contracts and agreements affecting its affairs; and

WHEREAS, the HOA has the power to enter into this Agreement pursuant to Article 5 of the Declaration for Brighton Crossing Master Association Inc.; and

WHEREAS, the HOA provides covenant enforcement, architectural review and approval and certain other administrative services, including management and control of the Common Areas and improvements thereon (the "Services") for all Real Property, as defined pursuant to the Declaration for Brighton Crossing Homeowners Association Inc., recorded in the real property records of Adams County, Colorado at reception No. C1067328, as amended (the "Declaration"), and the Governing Documents (as the same is defined under the Declaration) as are currently in place or may be adopted by the HOA in the future (collectively, as the same may be amended and supplemented from time to time, the "Governing Documents"); and

WHEREAS, pursuant to and consistent with Section 32-1-1004(8)(a)(I), the HOA has determined to delegate the Services under the Governing Documents to the District and the District has determined to accept such delegation; and

WHEREAS, in order to provide more efficient and streamlined services to the Community, the Parties have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Agreement.

NOW, THEREFORE, for and in consideration of the foregoing and the mutual covenants hereinafter set forth, the parties agree as follows:

1. Definitions. Definitions not otherwise defined or addressed herein shall have the meanings afforded in the Declaration.
2. Delegation of Authorization for Services. The HOA hereby delegates all powers and authority to enforce and provide the Services to the Community to the District for the term of this Agreement. The District hereby accepts all such delegated powers and authority regarding the Services.

All Services shall be provided consistently and in accordance with the Governing Documents to all Real Property that is subject to the Declaration, now and in the future. Such Services shall expressly include management and operation of the Common Areas as well as the provision of covenant and architectural control and enforcement, as well as performance of other administrative services necessary and appropriate for the HOA in order to perform such covenant and architectural control and enforcement duties, including, without limitation, annual budget preparation, entering into subcontracts for the provision of the Services, determination of the annual amount of assessments required, distribution of notices to members of the HOA as necessary from time to time, coordination of member and director meetings and obtaining requisite insurance. Any and all contracts entered into by the District for the provision of Services shall be assignable to the HOA upon termination or non-appropriation of this Agreement and shall not require consent of the contractor.

Nothing herein is intended to alter, limit, modify or in any way change the Declarant rights as are provided under the Governing Documents, including, without limitation, the Reservation of Declarant Rights as provided under Article 13 of the Declaration.

3. Collection of Fees and Charges. The HOA currently imposes a Common Expense Assessment of \$216 per year to each Owner of a Unit (the "HOA Assessment"). The Parties agree that the District may, in its discretion, impose a District fee or charge for the provision of Services hereunder pursuant to its authorization under Section 32-1-1001(1)(k), Colorado Revised Statutes. Notwithstanding, the Parties hereby agree that the District shall be limited to imposition of a District fee not in excess of the limitation provided under Section 7.5 of the Declaration and shall only be authorized to impose the same where a Common Expense Assessment is not otherwise charged to the Owners. The District shall undertake collection of all District fees or Common Expense Assessments in order to pay for the costs of the Services. Any fees or charges, inclusive of Common Expense Assessments that are collected by the District and expenditures associated with the provision of the Services shall be accounted for separately as part of the District's annual budget and shall, at the written request of the board of directors of the HOA, be subject to review and audit as necessary. It is agreed by the Parties that all amounts received by the District in connection with its standard billing practices shall first be applied to fees and charges imposed in connection with the provision of the Services and thereafter to late fees and interest associated with any and all District accounts and finally to the District Operations Fee.

Upon the effective date hereof, the HOA shall remit all HOA revenues to the District, which shall be used in connection with the District's provision of the Services. The HOA shall further turn over all information concerning outstanding accounts and the District shall thereafter be responsible for management of collection efforts associated with such accounts.

The HOA shall coordinate with the District in the preparation of the HOA annual budget based upon the recommendation of the District. Such budget shall be adopted in accordance with the Governing Documents. In connection therewith, the District shall pay for all annual expenses and costs incurred by the HOA as are necessary and appropriate to ensure compliance with the HOA's obligations under the Governing Documents or Colorado law.

4. Consistency in Application of Services. It is expressly agreed that it is the intent of Parties hereto to have standard application of operation and maintenance and covenant and architectural control and enforcement within the Community. It is further understood by the Parties that it is anticipated that the District will be directly responsible for covenant and architectural control and enforcement within the Community and will have direct responsibilities associated with adopting and implementing policies, guidelines and associated documents as are deemed necessary from time to time. In the event that an amendment or modification of any of the Governing Documents is necessary for administrative reasons or to ensure consistency in application of the overall covenant and architectural control and enforcement within the Community, the District shall make a request for the same to the HOA, which shall consider, and if approved, implement such request within a thirty (30) day period through amendment of the appropriate document, provided that if such amendment requires approval of the members of the HOA, mortgagees or governmental mortgage agencies, the HOA shall use best efforts to process the amendment as expeditiously as possible. Approval of the HOA for such requests shall not be unreasonably withheld.

5. Assignment. With the specific exception of the authorization provided hereunder, this Agreement, inclusive of any of the rights, obligations, duties and/or authority hereunder, may not be assigned, in whole or in part, by either Party without the prior, written consent of the other Party. Any assignment made in violation of this Section shall be null and void and of no legal force or effect. Consent to one assignment shall not constitute consent to any subsequent assignment, nor shall it constitute a waiver of any right to consent to such subsequent assignment. For purposes of this Agreement, assignments shall include all delegations.

6. Modification. This Agreement may only be modified, amended or changed, in whole or in part, by way of a written agreement, executed by each Party with the same formalities as this Agreement.

7. Entire Agreement. This Agreement represents the entire, integrated agreement of the Parties with respect to the matters set forth herein and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to those matters, whether written or oral.

8. Continued Validity. If any clause or provision of this Agreement is adjudged invalid and/or unenforceable by a court of competent jurisdiction or by operation of any law, such clause or provision shall not affect the validity of this Agreement as a whole, but shall be severed herefrom, leaving the remaining Agreement intact and enforceable.

9. Survival of Obligations. Unfulfilled obligations of the Parties arising under this Agreement shall be deemed to survive any expiration, termination by court order, or other end to this Agreement. All such obligations shall be binding upon, and inure to the benefit of the Parties and as applicable, their respective successors, assigns, and legal substitutes.

10. Jurisdiction. This Agreement shall be governed and construed in accordance with the laws of the State of Colorado.

11. Continued Application of Governmental Immunity. Nothing in this Agreement shall be construed to constitute a waiver, in whole or in part, of the District's rights and protections under the Colorado Governmental Immunity Act, Section 24-10-101, *et seq.*, C.R.S.

12. No Third Party Beneficiary. Nothing expressed or implied in this Agreement is intended confer upon, or give to, any third person or entity that is not a Party hereto any right, remedy, or claim hereunder, except that the Declarant under the Declaration shall be entitled to receive copies of notices given by a Party as provided in Section 12 below. All of the covenants, terms, conditions, and provisions of this Agreement exist for the sole and exclusive benefit of the Parties hereto, except as provided above with respect to notices to Declarant.

13. Notice. A copy of any notice given by a Party hereunder shall also be given to each of the other Parties and entities listed below in this Section. Except as otherwise provided herein, all notices given under this Agreement must be made in writing and shall be hand delivered, sent by Certified U.S. Mail with return receipt requested, sent via First Class U.S. Mail, or sent via facsimile to the following addresses:

The District: Brighton Crossing Metropolitan District No. 4  
C/o Overlook Property Management  
6860 S. Yosemite Court, Suite 2000  
Centennial, CO 80112  
Facsimile: (303) 991-2199

With a copy to: White, Bear & Ankele Professional Corporation  
2154 E. Commons Avenue, Suite 2000  
Centennial CO 80122  
Facsimile: (303) 858-1801  
Attn: Kristen D. Bear, Esq.

The HOA: Brighton Crossing Master Homeowners Association  
188 Inverness Drive West, Suite 150  
Englewood, CO 80112  
Facsimile: (303) 706-9453

Declarant\*: Brookfield Residential (US), Inc.  
188 Inverness Drive West, Suite 150  
Englewood, CO 80112  
Facsimile: (303) 706-9453

\*limited to the Period of Special Declarant's Rights (as defined in the Declaration).

All notices or documents delivered or required to be delivered under the provisions of this Agreement shall be deemed received one (1) day after hand delivery or facsimile, or three (3) days after deposit with the United States Postal Service. The District, HOA or Declarant may change the address to which future notices shall be sent by written notice, sent as described above.

13. Prevailing Party. In the event of any litigation between the Parties concerning the subject matter of this Agreement, the prevailing Party in such litigation shall be entitled to receive from the losing Party, in addition to the amount of any judgment or other award entered therein, all reasonable costs, expenses and attorney's fees incurred by said prevailing Party during litigation.

14. Continued Assurances. The District and HOA each covenant that they will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their respective obligations hereunder.

15. Application of Laws. This Agreement shall be performed in accordance with, and to the extent permitted by, all applicable laws, rules, regulations, ordinances and/or similar directives of the jurisdiction in which this Agreement is performed. The HOA declares that it is duly authorized to do and engage in business in the State of Colorado and has taken all necessary action to enter into this Agreement.

16. Term of Agreement. Under no circumstances shall this Agreement constitute, or be considered as, a multiple-fiscal year obligation of the District. The District's obligations under this Agreement exist subject to annual appropriations and the term of this Agreement shall be from June 1, 2011 through and until December 31, 2011 and may be extended from time to time only pursuant to annual appropriation of the District, as applicable, for the next fiscal year (January 1 through December 31). This Agreement may be terminated by any Party for any reason pursuant to written notice provided to each Party at least thirty days prior to the date of termination.

Within thirty (30) days of termination, all HOA records and monies collected or retained by the District in connection with the provision of the Services shall be tendered and returned to the HOA and all contracts in connection with the provision of the Services shall be assigned to the

HOA. The District shall be entitled to retain such amounts to pay for expenses associated with the District's provision of the Services through the date of the termination and shall provide the HOA with a written accounting of the same. In the event that the District continues to receive any revenues remitted in connection with the Services, all such monies shall be remitted to the HOA within thirty (30) days of receipt.

17. Waiver. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein. No waiver of any default hereunder shall be deemed to constitute a waiver of any subsequent default hereunder.

18. Successors and Assigns. This Agreement shall inure to, and be binding upon, each applicable Party hereto and, its respective successors, assigns, and legal substitutes.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

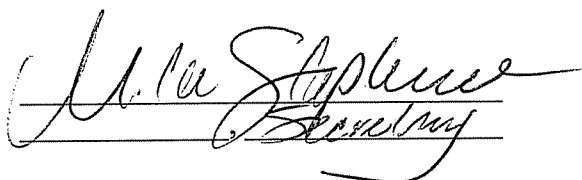
DISTRICT:

BRIGHTON CROSSING METROPOLITAN  
DISTRICT NO. 4, a quasi-municipal corporation  
and political subdivision of the State of Colorado

By: 

Its: \_\_\_\_\_

ATTEST:

  
Secretary

HOA:

BRIGHTON CROSSING HOMEOWNERS  
ASSOCIATION, INC., a Colorado nonprofit  
corporation

By: 

Its: \_\_\_\_\_