

EXHIBIT G

CASH IN LIEU OF LETTER OF CREDIT FINANCIAL GUARANTEE AGREEMENT

THIS FINANCIAL GUARANTEE AGREEMENT (the "Agreement") is entered into this 7th day of JULY, 2021, by and between the Parker Water & Sanitation District, a Colorado special district (hereafter referred to as the "District"), and NEW HORIZON REAL ESTATE DEVELOPMENT 4, LLP (the "Developer").

Recitals

WHEREAS, the District and the Developer have entered into that certain Improvement Agreement (the "Improvement Agreement") dated JULY 7, 2021, concerning that certain real property known as DUNLAP 234 FLING 1, LOT 11, B10, which is more particularly described in **Exhibit A**, which is attached to the Improvement Agreement (the "Property"); and

WHEREAS, pursuant to the Improvement Agreement, the Developer has agreed to install and complete at its expense certain water and/or sanitary sewer main improvements ("Public Improvements") on the Property and to provide the District with a financial guarantee, in an amount equal to one hundred twenty percent (120%) of the costs of the Public Improvements (Exhibit D of the Improvement Agreement) naming the District as the designated beneficiary, to secure the performance and completion of the Public Improvements.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the sufficiency of which is hereby acknowledged and confessed, the parties hereto covenant and agree as follows:

1. Purpose. The purpose of this Agreement is to provide for a financial guarantee to the District for the performance and completion of the Public Improvements described in the Improvement Agreement and, accordingly, to supplement the terms and conditions of the Improvement Agreement. Defined terms within the Improvement Agreement shall have the same meaning when used herein.

2. Financial guarantee. In order to secure the performance and completion of the Public Improvements, the Developer agrees to deposit with the District the sum of EIGHT SEVEN THOUSAND FIVE HUNDRED SIXTY FOUR & NO/100 Dollars (\$ 87,564.00) (the "Financial Guarantee Funds"), which represents one hundred twenty percent (120%) of the District approved engineer's estimated costs (the "Estimated Costs") of the Public Improvements. All Financial Guarantee Funds shall be deposited in the District's General Fund. The District shall not be required to pay the Developer any interest on the Financial Guarantee Funds.

The Estimated Costs shall be a figure mutually agreed upon by the Developer and the District's Engineering Department. If, however, they are unable to agree, the District's Engineering Manager's estimate shall govern after giving consideration to information provided by the Developer including, but not limited to, construction contracts and engineering estimates. The purpose of the cost estimate is solely to determine the amount of the financial guarantee. No

representations are made as to the accuracy of these estimates, and the Developer agrees to pay the actual costs of all such Public Improvements.

The estimated costs of the Public Improvements may increase in the future. Accordingly, the District reserves the right to review and adjust the cost estimate at any time. Adjusted cost estimates will be made according to changes in the Construction Costs Index as published by the *Engineering News Record* or based upon actual construction bids, as determined by the District in the exercise of its sole discretion. If the District adjusts the cost estimate for the Public Improvements, the District shall give written notice to the Developer. The Developer shall, within thirty (30) days after receipt of said written notice, provide the District with new funds in the amount of the adjusted cost estimates. If the Developer refuses or fails to so provide the District with additional Financial Guarantee Funds, the District may withhold the provision of water and/or sewer service to any and all properties being constructed by Developer which are contemplated to be served by the Public Improvements; provided, however, that prior to increasing the amount of additional Financial Guarantee Funds required, the District shall give credit to the Developer for all required Public Improvements which have actually been completed so that the amount of Financial Guarantee Funds required at any time shall relate to the cost of required Public Improvements not yet constructed.

3. Release of Financial Guarantee Funds.

a. The District's Engineering Inspector will be on-site periodically as he/she deems necessary for inspection of all Public Improvements. During the construction of the Public Improvements, the District will release and return the Financial Guarantee Funds in the following completion percentages, as determined complete by the District Engineering Inspector:

1st Release = 25% of completed construction will return an amount equal to 25% of the Estimated Costs.

2nd Release = 50% of completed construction will return an amount equal to 25% of the Estimated Costs.

3rd Release = 75% of completed construction will return an amount equal to 25% of the Estimated Costs.

4th Release = 100% of completed construction, upon obtaining Probationary Acceptance of the Public Improvements, will return an amount equal to 25% of the Estimated Costs.

5th Release = After two-year warranty period, two-year warranty period inspection, and upon obtaining Final Acceptance of the Public Improvements, the remaining Financial Guarantee Funds (which represent twenty percent (20%) of the Estimated Costs less any amounts the District was required to expend) will be returned.

b. Upon the District's Probationary Acceptance of the Public Improvements, the Developer may substitute a letter of credit for the remaining unreleased Financial Guarantee Funds the District is holding for the two-year warranty period, as described in the Improvement Agreement, in a form and from a financial institution acceptable to the District.

c. The District may draw on the Financial Guarantee Funds at any time, including during the warranty period, to correct any problems with the Public Improvements not corrected by the Developer, as provided by the Improvement Agreement.

4. Modifications. This Agreement shall not be amended, except by subsequent written agreement of the parties.

5. Release of Liability. It is expressly understood that the District cannot be legally bound by the representations of any of its officers or agents or their designees, except in accordance with the laws of the State of Colorado.

6. Captions. The captions to this Agreement are inserted only for the purpose of convenient reference and in no way define, limit, or prescribe the scope or intent of this Agreement or any part thereof.

7. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, and assigns as the case may be.

8. Invalid Provision. If any provision of this Agreement shall be determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision hereof, all of the other provisions shall remain in full force and effect. It is the intention of the parties hereto that if any provision of this Agreement is capable of two (2) constructions, one of which would render the provision void, and the other which would render the provision valid, then the provisions shall have the meaning which renders it valid.

9. Governing law. The laws of the State of Colorado shall govern the validity, performance and enforcement of this Agreement. Should either party institute legal suit or action for enforcement of any obligation contained herein, it is agreed that venue of such suit or action shall be in Douglas County, Colorado.

10. Assignment or Assignments. There shall be no transfer or assignment of any of the rights or obligations of the Developer under this Agreement without the prior written approval of the District. The Developer agrees to provide the District with at least fourteen (14) days' advance written request for District approval of any transfer or assignment of any of the rights and obligations of the Developer under this Agreement.

11. Title and Authority. The Developer expressly warrants and represents to the District that it is the record owner of the Property and further represents and warrants, together with the undersigned individual(s) that the undersigned individuals(s) has or have full power and authority to enter into this Financial Guarantee Agreement. The Developer and the undersigned individual(s) understand that the District is relying on such representations and warranties in entering into this Agreement.

12. Conflict with Improvement Agreement. In the event there is a conflict between the language contained within this Agreement and the language contained within the Improvement Agreement, the provision which imposes the greater restriction or the higher duty or standard of performance on Developer shall apply.

