

**AMENDED AND RESTATED**  
**SERVICE PLAN**  
**FOR**  
**TWO BRIDGES METROPOLITAN DISTRICT**  
**(FORMERLY KNOWN AS HIGH PRAIRIE POLO CLUB**  
***METROPOLITAN DISTRICT NO. 2)***  
**DOUGLAS COUNTY, COLORADO**

Prepared

by

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Initials: mm

## APPROVAL SUMMARY

This Amended and Restated Service Plan for the Two Bridges Metropolitan District was approved by the Douglas County Board of County Commissioners on November 7, 2017. Resolution No.R-07-092, approving this Amended and Restated Service Plan, has been recorded at Reception No.2017076500 on November 9, 2017. The organizational and TABOR elections took place on November 3, 2009. A subsequent Tabor election took place on November 8, 2016. The court decree organizing the District was recorded with the Douglas County Clerk and Recorder on January 4, 2010 at Reception No. 2010000030.

## ORGANIZERS AND CONSULTANTS

This Amended and Restated Service Plan has been prepared by the Organizers and the following participating consultants:

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## EXECUTIVE SUMMARY

This Amended and Restated Service Plan (the “**Service Plan**”) is for the Two Bridges Metropolitan District (the “**District**”), formerly known as High Prairie Polo Club Metropolitan District No. 2, which will serve the public improvement needs of The Residences of High Prairie Polo Club and the High Prairie International Polo Club. The District is generally located in the vicinity of Bayou Gulch Road and Parker Road in Douglas County, Colorado and contains approximately 472.02 acres. The District’s boundaries may be expanded in the future to include an additional 576.58 acres for a total of 1048.60 acres. It is anticipated the District will include approximately 60 residential units.

This Service Plan is intended to supersede and replace that Original Service Plan approved by the Douglas County Board of Commissioners on September 15, 2009 by Resolution No. R009-172 and recorded at Reception No. 2009072856 on September 16, 2009 (the “**Original Service Plan**”). The Original Service Plan established a multiple district structure, with two districts performing different functions. High Prairie Polo Club Metropolitan District No. 1 (“**HPPC 1**” and together with the District the “**Districts**”) was to act as a service district and the District was to act as a financing district. The Districts mutually determined that it was no longer necessary to have separate financing and service districts and agreed that one district is necessary and capable of all actions listed in the Original Service Plan and as Amended and Restated in this Service Plan. Pursuant to Resolutions adopted by their respective District Board of Directors, the District assumed all obligations and assets of HPPC 1, HPPC 1 approved dissolution, and the District agreed to pay the costs associated with the dissolution of HPPC 1. By Order and Decree by Douglas County District Court dated October 27, 2016, and recorded on November 3, 2016, the dissolution of HPPC 1 was conducted with notice and without objection from the County and the Board of County Commissioners. Therefore, the District will now have a single district structure which will allow the District to finance and provide the services as contemplated by this Service Plan. The District changed its name from High Prairie Polo Club Metropolitan District No. 2 to Two Bridges Metropolitan District by Order Granting Petition for Name Change from the Douglas County District Court dated August 24, 2016, and recorded August 25, 2016.

The District has entered into that certain Facilities Funding and Reimbursement Agreement dated June 15, 2016 with the Developer (the “**FFRA**”), which includes, but is not limited to, the following provisions: 1) the District’s assumption of any and all obligations of HPPC 1, including the rights and responsibilities acquired under that certain Improvement Acquisition and Reimbursement Agreement dated January 10, 2010 (the “**IARA**”); 2) the District’s assumption of any and all obligations of HPPC 1 under that certain Promissory Note dated January 10, 2010 (the “**Note**”); and 3) acknowledgement by the Developer for the termination and extinguishment of the IARA and the Note as of July 8, 2016, and the obligations of the District to make payment of amounts formerly due under the IARA and Note pursuant to terms of the FFRA. The District also entered into that certain 2016 Operations Funding Agreement dated June 15, 2016, as amended by that certain First Amendment to 2016 Operation Funding Agreement dated November 4, 2016 (collectively, the “**OFA**”) pursuant to which Lokal Two Bridges, LLC as the “Developer” agrees to fund the 2016 and 2017 operation expenses Shortfall (as defined in the OFA). The District anticipates entering into future OFA’s in order to fund the operation and maintenance of the District until that time when the District’s mill levy

and fees are adequate to cover the District's expenses. The FFRA and OFA may be amended from time to time and so long as the agreements do not conflict with the requirements contained herein they will not be deemed material modifications of this Service Plan.

The District shall be authorized to provide the following services: storm sewer, street improvements, traffic safety protection, parks and recreation, television relay and translation, mosquito control, covenant enforcement and design review, and security services as described in C.R.S. §§ 32-1-1001 and 1004, as amended.

The total authorized debt limit for the District shall be Eight Million Dollars (\$8,000,000). The District anticipates the issuance of an initial series of bonds in the amount of Five Million Seven Hundred Eighty-Five Thousand Dollars (\$5,785,000) on December 1, 2020. The initial debt service mill levy will be 45 mills, with a Maximum Debt Service Mill Levy of 50 mills. The initial operations and maintenance mill levy will be 20 mills, with a Maximum Operations and Maintenance Mill Levy of 20 mills. The combined initial mill levy for the District will be 65 mills, with a Maximum Total Mill Levy of 65 mills. All mill levy limits are subject to the Gallagher Adjustment.

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#### EXHIBITS

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| <b>Exhibit A</b>   | Vicinity Map                                                 |
| <b>Exhibit B-1</b> | Initial District Boundaries Legal Description                |
| <b>Exhibit B-2</b> | Future Inclusion Area Legal Description                      |
| <b>Exhibit C-1</b> | District Boundary Map                                        |
| <b>Exhibit C-2</b> | Future Inclusion Area Boundary Map                           |
| <b>Exhibit D</b>   | Cost of Improvements                                         |
| <b>Exhibit E</b>   | Map of Improvements                                          |
| <b>Exhibit F</b>   | Financial Plan                                               |
| <b>Exhibit G</b>   | Resolution of Approval                                       |
| <b>Exhibit H</b>   | Compliance with Section 18A, Water Supply – Overlay District |
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| <b>Exhibit J-1</b> | Operation Funding Agreement                                  |
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| <b>Exhibit K</b>   | Intergovernmental Agreements                                 |
| <b>Exhibit L</b>   | Annual Report Requirements                                   |
| <b>Exhibit M</b>   | District Court Decree                                        |

## **I. INTRODUCTION**

This Amended and Restated Service Plan (the “**Service Plan**”) for the Two Bridges Metropolitan District (the “**District**”) is for a special district organized under Title 32 of the Colorado Revised Statutes to serve the public improvement needs of The Residences of High Prairie Polo and High Prairie International Polo Club Development (the “**Project**”). The District is generally located in the vicinity of Bayou Gulch Road and Parker Road in Douglas County, Colorado (see **Exhibit A**, Vicinity Map) and contains approximately 472.02 acres, which may be expanded in the future to include all or a portion of the Future Inclusion Area representing approximately 576.58 acres for a total of 1048.60 acres (see **Exhibits B-1, B-2, C-1 & C-2**, Initial District Boundaries & Future Inclusion Area Legal Descriptions and District Boundary & Future Inclusion Area Boundary Maps).

Pursuant to the requirements of the Special District Control Act, C.R.S. §32-1-201, *et seq.*, as amended, and the Special District Service Plan Review Procedures for Douglas County (the “**County**”), the following items are included in this Service Plan:

1. A description of the powers granted to and services to be provided by the District;
2. A general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility and service standards of the District are compatible with facility and service standards of the County and of any municipalities and special districts which are interested parties;
3. A general written description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial indebtedness and estimated maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the District;
4. A summary of general conditions regarding oversight of the District by the County;
5. A legal description and map of the District’s boundaries and an estimate of the population and valuation for assessment of the District;
6. A summary of estimated costs for improvements to be financed and constructed by the District;
7. A preliminary engineering and architectural survey showing how the improvements and services are to be provided;
8. A financial plan showing how District improvements and services are to be financed, including the operating revenue for the first budget year of the District;
9. The resolution of approval adopted by the Board of County Commissioners;



10. The Project will be served by individual sewage disposal systems, which provision shall not be provided by the District; however, the District will serve as a Responsible Management Entity as defined by Tri-County Health Department.

11. Water shall be provided to the Project via non-District individual wells. Compliance with Section 18A, Water Supply – Overlay District was determined at the time of the County's land use application.

12. A description of any advance and reimbursement agreements;

13. A description of any arrangement or agreement with any political subdivision for the performance of any services between the District and such other political subdivision; and

14. The recorded court decree organizing the District.

**Exhibits A through M**, attached hereto, are hereby incorporated into the Service Plan.

## **II. PURPOSE OF THE DISTRICT**

The purpose of the District is to provide public improvements and services for the benefit of all anticipated inhabitants and taxpayers of the District, either within or without its boundaries. The District also serves to finance and oversee the construction of these public improvements and to provide for ongoing operations and maintenance services.

## **III. DISTRICT FRAMEWORK**

The District will be organized under a single district structure and will be responsible for all aspects of financing and services authorized under this Service Plan.

## **IV. NEED FOR DISTRICT**

There are currently no other governmental entities, including the County, located in the immediate vicinity of the District that consider it desirable, feasible, or practicable to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, financing, and ongoing operations of the public improvements needed for the Project. Formation of the District is therefore necessary in order for the public improvements and services required for the Project to be provided in the most economical manner possible.

## **V. LOCATION AND BOUNDARIES**

The District is located in the vicinity of Bayou Gulch Road and Parker Road in Douglas County, Colorado. A vicinity map is attached hereto as **Exhibit A**. The area of the initial District's boundary encompasses approximately 472.02 acres, which may be expanded to include all or a portion of the Future Inclusion Area representing approximately 576.58 acres for a total of 1048.60 acres. Legal descriptions of the District's boundaries and future inclusion area are attached hereto as **Exhibits B-1 & B-2**. Maps of the initial District's boundaries and future inclusion area boundaries are attached hereto as **Exhibits C-1 & C-2**.

It is anticipated that the District's boundaries may change from time to time as it undergoes inclusions and exclusions pursuant to C.R.S. §§ 32-1-401, et seq., and C.R.S. §§ 32-1-501, et seq., as amended. Future inclusion and exclusion areas are identified in Exhibits B-2 and C-2. Prior to any inclusions or exclusions that are not identified in Exhibits B-2 and C-2, the District shall provide forty-five (45) days published notice and written notice to the Board of County Commissioners pursuant to C.R.S. § 32-1-207(3)(b). If, within such forty-five (45) day period, the Board of County Commissioners objects to the inclusion or exclusion, then the inclusion or exclusion shall be prohibited and constitute a material modification of this Service Plan requiring an amendment, pursuant to Section XII of the Service Plan and C.R.S. § 32-1-207(2).

## **VI. ASSESSED VALUATION/PROJECTIONS/LAND USE/POPULATION**

The property within the District is zoned residential pursuant to the High Prairie International Polo Club Rural Site Plan recorded in the Douglas County Clerk and Recorder's Office on February 8, 2007, at Reception No. 2007012494. The current assessed value of property within the initial boundaries of the District is Nine Hundred Seventy-Six Thousand Three Hundred Twenty Dollars (\$976,320) as of August 25, 2016. The estimated assessed value at full build-out is Six Million Nine Hundred Eighty-Four Thousand Seven Hundred Eighty-Two Dollars (\$6,984,782) and is expected to be sufficient to reasonably discharge the debt under the Financial Plan. Initially, the District will include 60 residential units. Based upon an estimated 2.5 persons per residence, the population of the District at build-out will be One Hundred Thirty-Eight (150) residents.

Approval of this Service Plan by the County does not constitute nor imply approval of the development of a specific area within the District, nor does it constitute or imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Service Plan or any of the exhibits attached hereto, unless such land use plans have been approved by the Board of County Commissioners as part of a separate development review process.

## **VII. POWERS AND RESPONSIBILITIES**

The District shall have the power and authority to provide the public improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is permitted by this Service Plan and described in the Special District Act, C.R.S. Title 32, and other applicable statutes, common law, and the Colorado Constitution, subject to the limitations set forth herein.

### **A. General Powers**

The District shall have the authority to construct, operate, and maintain the services and facilities as described in Section VIII.A of this Service Plan.

### **B. Miscellaneous Powers**

In addition to the powers enumerated above, the District's Board shall have the power and authority:

1. To amend this Service Plan as provided for in Section XII, Modification of Service Plan;

2. To forego, reschedule, or restructure the financing and construction of certain improvements and facilities in order to better accommodate the pace of growth, resource availability, and potential inclusions and exclusions of property within the District, with prior notice to the County in accordance with C.R.S. § 32-1-202(2)(b), as amended; and

3. To have and exercise all rights and powers necessary or incidental to, or implied from, the specific powers granted to the District in this Service Plan.

4. To have and exercise the power of eminent domain, but only as necessary to construct, install, access, relocate or redevelop the public improvements identified in this Service Plan in the locations shown in Exhibit E. Any other use of eminent domain shall require the District to provide forty-five (45) days published notice and written notice to the Board of County Commissioners pursuant to C.R.S. § 32-1-207(3)(b). If, within such forty-five (45) day period, the Board of County Commissioners objects to the use of eminent domain, then it shall be prohibited and constitute a material modification of this Service Plan requiring an amendment, pursuant to Section XII of the Service Plan and C.R.S. § 32-1-207(2).

#### **VIII. DISTRICT SERVICES, FACILITIES, AND IMPROVEMENTS**

##### **A. Services and Facilities**

The District shall have the authority pursuant to C.R.S. §§ 32-1-1001 and 32-1-1004, as amended, to provide the following services and public improvements described in this section, except as limited herein.

##### **1. Water**

At this time, potable water shall be provided to the Project via individual wells. The District does not anticipate providing potable water facilities and systems to serve the Project. However, in the event the District desires to provide potable water facilities and systems in the future, such changes shall be deemed a material modification of this Service Plan and the District shall obtain prior written approval from the County prior to providing such public improvements.

##### **2. Storm Sewer**

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for flood and surface drainage improvements, including, but not limited to, culverts, dams, retaining walls, access way inlets, detention and retention ponds, paving, roadside swales, curbs and gutters, disposal works and facilities, water quality facilities, and all necessary and proper equipment, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto. Without prior approval from the county, the District shall not construct any new storm sewer improvements, except as required to maintain and operate existing storm sewer improvements located within the boundaries of the District.

Stormwater improvements subject to Colorado Discharge Permit System Regulations, if applicable, shall be owned and maintained by the District or such other governmental entity that may accept dedication. Dedication to another governmental entity of stormwater improvements subject to such regulations shall be subject to approval by the County. In no event will the District dedicate such detention ponds or facilities to a private homeowner's association, or other property owner's association, for operations or maintenance.

All improvements shall be in accordance with Douglas County and/or the water and service provider's rules and regulations. All proposed improvements must be reviewed, approved and permitted by Douglas County prior to construction.

### 3. Sanitation and Wastewater Treatment

At this time, the Project will be served via On-Site Wastewater Treatment Systems ("OWTS's") as defined by Tri-County Health Department. The District shall have the power and authority to serve as a Responsible Management Entity as defined by Tri-County Health Department and in that capacity provide for inspections, monitoring and maintenance of the OTWS's in the Project.

The District does not anticipate providing centralized sanitary sewer improvements to serve the Project. In the event the District desires to provide sanitary sewer improvements in the future, such change shall be deemed a material modification to this Service Plan and the District shall obtain prior written approval from the County prior to providing such public improvements.

All improvements shall be in accordance with Douglas County and/or the water and service provider's rules and regulations. All proposed improvements must be reviewed, approved and permitted by Douglas County prior to construction.

### 4. Street Improvements

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for arterial and collector streets and roadway improvements including, but not limited to, bridges, curbs, gutters, culverts, storm sewers and drainage facilities, detention and retention ponds, retaining walls and appurtenances, sidewalks, paving, lighting, grading, landscaping, streetscaping, placement of underground utilities, snow removal, tunnels, and other street improvements, wayfinding, monumentation, and architectural enhancements to any or all of the above, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

All improvements shall be in accordance with Douglas County's rules and regulations. All proposed improvements must be reviewed, approved and permitted by Douglas County prior to construction.

### 5. Traffic Safety Protection

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for safety protection through traffic control

devices and safety controls on streets, as well as such other facilities and improvements as are necessary or prudent, including, but not limited to, signalization at intersections, traffic signs, area identification signs, directional assistance and driver information signs, with all necessary and incidental and appurtenant facilities, and land and easements, together with extensions and improvements thereto. All traffic and safety control devices will be consistent with and in compliance with County rules and regulations.

All improvements shall be in accordance with Douglas County's rules and regulations. All proposed improvements must be reviewed, approved and permitted by Douglas County prior to construction.

#### 6. Parks and Recreation

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for public park and public recreation centers and other recreation facilities, services, or programs including, but not limited to, grading, soil preparation, sprinkler systems and other irrigation systems for entryway monumentation and landscaping, fencing, pavilions, playgrounds, playing fields, open space, bike trails, pedestrian trails, pedestrian bridges, equestrian trails and facilities, picnic areas, common area landscaping, streetscaping, signage, storage buildings and facilities, weed control, paving, decorative paving, outdoor functional and decorative lighting, community events, and other services, programs and facilities, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

All improvements shall be in accordance with Douglas County's rules and regulations. All proposed improvements must be reviewed, approved and permitted by Douglas County prior to construction.

#### 7. Television Relay and Translation

The District shall have the power and authority to finance, design, construct, install, acquire, operate, and maintain television relay and translator facilities, satellite television and cable television facilities, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

#### 8. Mosquito Control

The District shall have the power and authority to finance, design, construct, acquire, install, operate, maintain, and provide for systems and methods for elimination and control of mosquitoes.

#### 9. Fire Protection

The District will receive fire protection services from the Franktown Fire Protection District. The District shall have no power or authority to provide fire protection services or to finance, acquire, construct, complete, and install public improvements related thereto. In the event the District desires to provide fire protection services and/or public improvements related thereto, such change shall be deemed a material modification to this



Service Plan and the District shall obtain written approval from the County and written consent from the Franktown Fire Protection District prior to providing such services and/or public improvements.

#### 10. Covenant Enforcement and Design Review

The District shall have the power and authority to provide covenant enforcement and design review services subject to the limitations set forth in C.R.S. § 32-1-1004(8), as amended.

#### 11. Security

The District shall have the power and authority to provide security services within the boundaries of the District, subject to the limitations set forth in C.R.S. § 32-1-1004(7), as amended. In no way is this power and authority intended to limit or supplant the responsibility and authority of local law enforcement (i.e., the Douglas County Sheriff's Department) within the boundaries of the District.

#### B. Estimated Costs and Phasing of Improvements

An estimate of the costs of the public improvements which have been completed and verified, as well as those that may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained, or financed was prepared based upon cost verification of existing improvements and a preliminary engineering survey of the remaining improvements on the property and is approximately Nine Million Four Hundred Eighty-Seven Thousand One Hundred Ninety Dollars and Thirty-Six Cents (\$9,487,190.36) as shown in **Exhibit D**. **Exhibit D** includes an engineer's opinion of costs in current dollars of each public improvement, together with an explanation of methods, basis, and/or assumptions used. All descriptions of the public improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, the County's requirements, and construction scheduling may require. The District will continue to develop and refine cost estimates contained herein and prepare for issuance of debt. Any increase in public improvement costs greater than twenty percent (20%), but less than forty percent (40%), of the stated amount in Exhibit D, exclusive of any contingency shown in Exhibit D, shall require an administrative review by County staff. Any increase in public improvement costs in excess of forty percent (40%) of the stated amount in Exhibit D, exclusive of any contingency shown in Exhibit D, will constitute a material modification of the Service Plan and will require review by the County and action by the Board of County Commissioners in accordance with Section XII.

All construction cost estimates assume construction to applicable local, State, or Federal requirements.

Maps showing the preliminary location of the public improvements that the District is authorized to acquire or construct are attached hereto as **Exhibit E**. Phasing of construction shall be determined by the District to meet the needs of taxpayers within its boundaries. The District shall own, maintain, and replace public improvements constructed, installed, or acquired by the District or shall dedicate such public improvements to such other entity as shall accept dedication, subject to any limitations specified in this Service Plan.

In all instances, the District shall ensure that the public improvements are designed and constructed in accordance with the standards and specifications of the County or other such entity that may have authority over such design and construction. The District shall obtain approval of civil engineering and other plans and any applicable permits for the construction and installation of public improvements from the County and/or other appropriate regulatory agencies.

C. Services to be Provided by Other Governmental Entities

The District will receive fire protection services from the Franktown Fire Protection District. The District will receive police protection services from Douglas County Law Enforcement. Operations and maintenance services of the roads within the District will be provided by Douglas County.

D. Compliance with Section 18A, Water Supply – Overlay District, of the Douglas County Zoning Resolution, as amended

Water shall be provided to the Project via non-District individual wells. Compliance with Section 18A, Water Supply- Overlay District was determined at the time of the County's land use application.

E. Compliance with Clean Water Plan

The Project will be served by individual sewage disposal systems. Therefore, compliance with the Clean Water Plan is not applicable to this Project.

**IX. FINANCIAL INFORMATION**

A. General

This section describes the nature, basis, and method of funding and debt and mill levy limitations associated with the District's public improvements. A detailed Financial Plan and statement of assumptions is contained in **Exhibit F**.

B. Assumptions

The maximum debt limitation contained herein is based on the assumption that each of the 60 residential properties in the District will have an average value of approximately One Million Three Hundred Fifty-Two Thousand Seven Hundred Eight Dollars (\$1,352,708). The Financial Plan demonstrates that the District has the ability to finance the public improvements identified herein, will be capable of discharging the indebtedness on a reasonable basis, and will operate on a sound fiscal basis.

C. Identification of District Revenue

The District will impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt and for operations and maintenance. The District may also rely upon various other revenue sources authorized by law. At the District's

discretion, these may include the power to assess fees (i.e. facility fee), rates, tolls, penalties, or charges as provided for in C.R.S. § 32-1-1001(1), as amended.

A Maximum Total Mill Levy of sixty-five (65) mills is authorized to support debt service and operations and maintenance of the District. The District may request an amendment to the Service Plan, in accordance with Section XII, to eliminate mill levy caps when the debt to assessed value ratio falls below fifty percent (50%).

In the event of legislation implementing changes in the ratio of actual valuation to assessed valuation for residential real property, pursuant to Article X, section 3(1)(b) of the Colorado Constitution, the mill levy limitations provided herein will be increased or decreased as to all taxable property occurring on or before January 1, 2016, in the District to reflect such changes so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes ("Gallagher Adjustment"). If there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut, or abatement, the mill levy limitation applicable to such operating and maintenance expenses may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith so that to the extent possible, the actual tax revenue generated by the mill levy are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

D. Debt Service Mill Levy

A maximum mill levy of 50 mills is authorized to support the debt service of the District, subject to the limitation of the Maximum Total Mill Levy. An initial debt service mill levy of 45 mills will produce revenue sufficient to support debt service costs through the bond repayment period (see **Exhibit F**, Financial Plan).

E. Operations and Maintenance Mill Levy

It is anticipated a maximum mill levy of 20 mills is authorized to support the operations and maintenance of District services and public improvements, subject to the limitation of the Maximum Total Mill Levy. The District may impose an operations and maintenance mill levy of 65 mills prior to the issuance of debt and the imposition of its first Debt Service Mill Levy as indicated in the Financial Plan. An operations and maintenance mill levy of 20 mills, together with a monthly operations fee per residential unit (anticipated to be \$213/month in 2017 dollars) will produce revenue sufficient to support the operations and maintenance of District services and public improvements (see **Exhibit F**, Financial Plan). Additional fees may be imposed to pay for access to certain amenities, such as equestrian facilities, if and when constructed.

F. District Expenditures

The estimated cost of public improvements for the District is Nine Million Four Hundred Eighty-Seven Thousand One Hundred Ninety-One Dollars (\$9,487,191). **Exhibit D** includes, in current dollars, the estimated cost of each public improvement, together with an explanation of the methods, basis, and/or assumptions used to establish such costs.



The District will require operating funds to plan and cause the public improvements contemplated herein to be constructed, operated, and maintained as permitted herein. Such costs are expected to include reimbursement of organizational costs, legal, engineering, accounting, bond issuance costs, and compliance with State budgeting, audit, and reporting, and other administrative and legal requirements. The organizational costs for the District for legal, engineering, surveying, and accounting services are estimated to be Fifty Thousand (\$50,000). The first year's operating budget is estimated to be Two Hundred Ten Thousand Dollars (\$210,000).

G. Debt

1. Debt Limitation

The total debt limit for the District is Eight Million Dollars (\$8,000,000), inclusive of costs of issuance, inflation, and other similar costs. For purposes of this Service Plan, debt shall be considered any outstanding bonds, notes, contracts, or other financial obligations of the District payable in whole or in part from *ad valorem* taxes or other revenues of the District for the purposes of financing, acquiring, constructing, or improving any of the public improvements contemplated herein. The debt limit shall not be increased unless approved by the County and as permitted by statute and the Colorado Constitution. Any change in debt limit shall be considered a material modification of the Service Plan, subject to the provisions of Section XII of this Service Plan. The maximum term of any bond issue, including refunding and refinancing, shall be thirty (30) years from the original date of issuance.

2. Maximum Voted Interest Rate and Maximum Underwriting Discount

The interest rate on any debt is limited to the market rate at the time debt is issued. In the event of a default, the maximum voted interest rate on any debt shall not exceed twelve percent (12%). The maximum underwriting discount shall be five percent (5%). Debt, when issued, shall comply with all relevant requirements of this Service Plan, State law, and Federal law as is then applicable to the issuance of public securities.

X. DEVELOPER ADVANCES AND REIMBURSEMENTS

The District anticipates receiving initial funding for both capital and ongoing administrative requirements from developer advances. Such advances may be made to the District subject to the District's obligation to reimburse the same, as may be evidenced by short-term reimbursement agreements or other acceptable agreements or resolutions. The interest rate on developer reimbursements shall not exceed the current Bond Buyer 20-Bond GO Index plus four percent (4%).

Such advances, which the Board is obligated to appropriate on an annual basis, shall count against the maximum allowable debt limit under this Service Plan and may be repaid by the District from bond proceeds or other legally available sources of revenue. Developer advances shall be subordinate to the District general obligation bonds and refinancing of the same shall not require County approval. Any amount of outstanding principal and accrued interest on such developer advances that remains unpaid as of the expiration of the Maximum Debt Service Mill Levy term shall be deemed to be forever discharged and satisfied in full. The

total developer advances are anticipated to be Nine Million Four Hundred Eighty-Seven Thousand One Hundred Ninety-One Dollars (\$9,487,191). Developer contributions, which will not be repaid by the District, are anticipated to be Four Million Seven Hundred Twenty Thousand One Hundred Sixty Five Dollars (\$4,720,165).

#### **XI. ANNUAL REPORT**

The District shall be responsible for submitting an annual report to the County no later than July 31 of each year in accordance with the procedures set forth in C.R.S. § 32-1-207(3)(c) and (d), as amended. The annual report shall conform to the format attached hereto as **Exhibit L**, or in a format agreed to by the County.

#### **XII. MODIFICATION OF SERVICE PLAN**

Pursuant to C.R.S. § 32-1-207, as amended, the District shall obtain prior written approval of the County before making any material modification to this Service Plan. Material modifications require a Service Plan amendment and include modifications of a basic or essential nature, including, but not limited to, the following: any addition to the types of services provided by the District; a decrease in the level of services; a decrease in the financial ability of the District to discharge the existing or proposed indebtedness; or a decrease in the existing or projected need for organized service in the area. Inclusion of property that is located in a county or municipality with no other territory within the District may constitute a material modification of the Service Plan.

In the event the District plans to undertake an action which may not be permitted by this Service Plan, it shall be the District's responsibility to contact County staff to seek an administrative determination as to whether the action in question is permitted by the Service Plan. If County staff determines that the action may constitute a material modification, the District shall submit a proposal for action to the Board of County Commissioners. Thereafter, the Board of County Commissioners will determine whether the proposed action constitutes a material modification. If the Board of County Commissioners determines that the proposed action constitutes a material modification, then the action shall be prohibited and constitute a material modification of this Service Plan requiring an amendment, pursuant to this Section XII of the Service Plan and C.R.S. § 32-1-207(2).

#### **XIII. DISCLOSURE STATEMENT**

The District shall provide notice to all purchasers of property in the District regarding the District's authority to levy and collect *ad valorem* taxes and to impose and collect rates, fees, tolls, and charges, by recording a disclosure statement against the property within the District with the Office of the Douglas County Clerk and Recorder. Such disclosure statement shall also provide information concerning the structure of the Board and summarize how purchasers may participate in the affairs of the Board. The disclosure statement shall be recorded within thirty (30) days following the recordation of the court decree organizing the District.

#### **XIV. DISSOLUTION**

It shall be mandatory for the District to initiate dissolution proceedings when the District has neither any financial obligations nor operations and maintenance obligations. The District may file a petition in the district court for dissolution when there are no financial obligations or outstanding bonds, or any such financial obligations or outstanding bonds are adequately secured by escrow funds or securities meeting the investment requirements in C.R.S. §§ 24-75-601, *et seq.*, as amended. The District's dissolution shall be subject to approval of a plan of dissolution in the district court of the County, pursuant to C.R.S. § 32-1-704, as amended.

## **XV. DEFINITIONS**

In this Service Plan, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Board: the board of directors of the District

Board of County Commissioners: the Board of County Commissioners of Douglas County, Colorado

Control Act: Part 2 of Title 32 (Special Districts) of the Colorado Revised Statutes (C.R.S.), which outlines review procedures for service plans for a special district

County: Douglas County, Colorado

Debt: any bond, note debenture, contract, or other multiple-year financial obligation of a District

Developer: the owner of the property proposing development of the project

District: the Two Bridges Metropolitan District

District Boundaries: the boundaries of the area described in the legal description attached hereto as **Exhibit B-1**

District Boundary Map: the map attached hereto as **Exhibit C-1**, showing the District's boundaries

Financial Plan: the Financial Plan described in Section IX and attached as **Exhibit F**, which describes: (a) how the public improvements are to be financed; (b) how the debt is expected to be incurred; and (c) the estimated operating revenue derived from property taxes for the first budget year.

General Obligation Bond: bonds or other obligations for the payment of which the District has promised to impose an *ad valorem* property tax mill levy

Maximum Debt Service Mill Levy: the maximum mill levy the District is permitted to impose for payment of debt as set forth in Section IX.D.

Maximum Operations and Maintenance Mill Levy: the maximum mill levy the District is permitted to impose for the payment of operating and maintenance expenses as set forth in Section IX.E

Maximum Total Mill Levy: the maximum mill levy the District is permitted to impose for the payment of debt as set forth in Section IX.D. and operating and maintenance expenses as set forth in Section IX.E

Project: the development or property commonly referred to as The Residences of High Prairie Polo and the High Prairie International Polo Club

Public Improvements: the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped, financed, operated and maintained as generally described in the Special District Act to serve the future taxpayers and inhabitants of the District as determined by the Board of the District

Service Plan: the service plan for the District approved by the Board of County Commissioners

Special District Act: C.R.S. § 32-1-101, *et seq.*, as amended

State: the State of Colorado

## **XVI. RESOLUTION OF APPROVAL**

The District incorporates the Board of County Commissioner's resolution approving this Service Plan into this Service Plan to be presented to the district court attached hereto as **Exhibit G**.

## **XVII. STATUTORY FINDINGS AND CONCLUSIONS**

It is submitted that this Service Plan for the District, as required by C.R.S. § 32-1-203, as amended, establishes that:

1. There is sufficient existing and projected need for organized service in the area to be served by the District due to the fact that the District will provide approximately sixty (60) lot owners with services that would otherwise not be available as demonstrated by the Service Plan;
2. The existing service in the area to be served by the District is inadequate for present and projected needs without the District because those services intended to be provided by the District pursuant to the Service Plan is not, and will not be available to the area by any other existing municipal or quasi-municipal corporation;
3. The District is capable of providing economical and sufficient service to the area within its boundaries as is demonstrated in Section VIII and Section IX of this Service Plan and the Financing Plan attached as **Exhibit F** hereto;

4. The area to be included in the District has, or will have, the financial ability to discharge the indebtedness on a reasonable basis as is demonstrated in Section IX of this Service Plan and the Financing Plan attached as **Exhibit F** hereto;

5. Adequate service is not, or will not be, available to the area through the County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis as is demonstrated by Section IV of this Service Plan;

6. The facility and service standards of the District are compatible with the facility and service standards of each county within which the District is to be located and each municipality which is an interested party under C.R.S. § 32-1-204(1), as amended, as is demonstrated in Section VIII.A of this Service Plan and in **Exhibits C-1, D, & E** attached hereto;

7. The proposal is in substantial compliance with the Douglas County Comprehensive Master Plan, as amended, adopted pursuant to C.R.S. § 30-28-106, as amended;

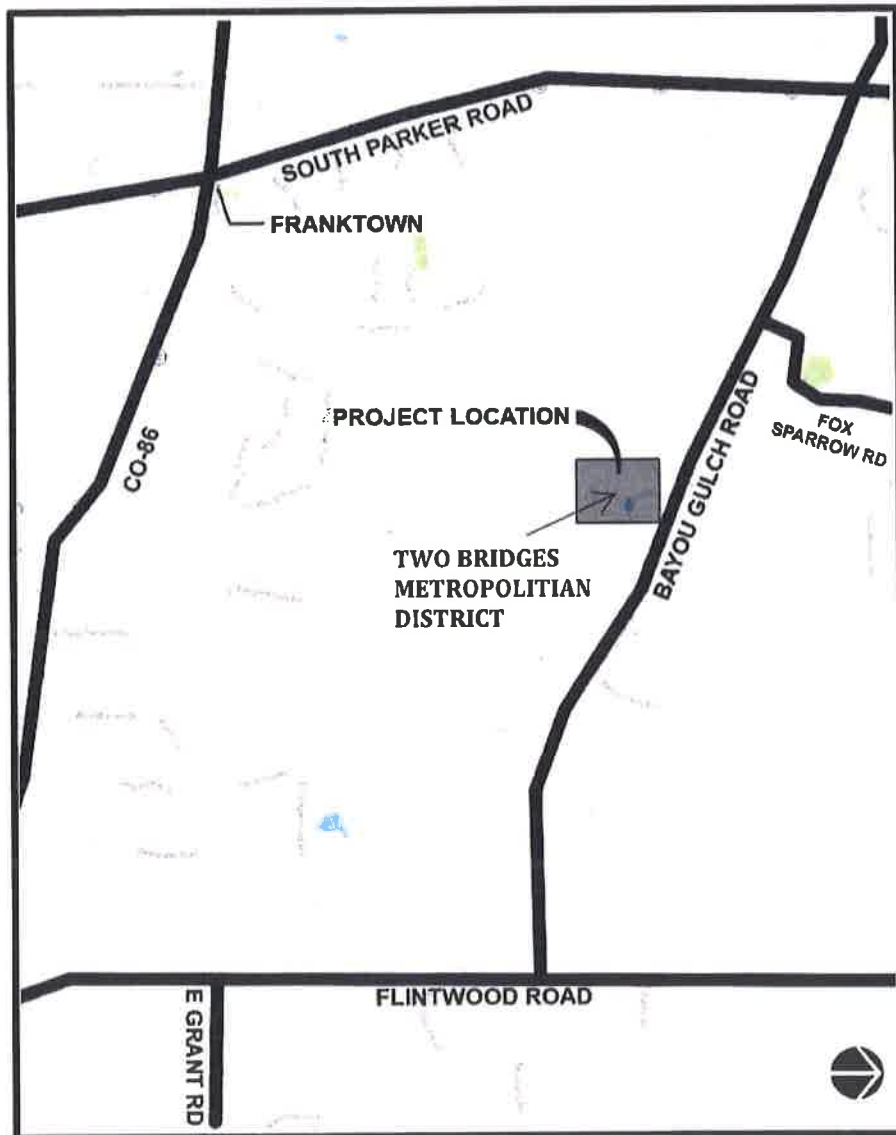
8. As the Project will be served by individual sewage disposal systems, the proposal does not require substantial compliance with any duly adopted city, regional, or state long range water quality management plan for the area; and

9. The creation of the District will be in the best interests of the area to be served based on the evidence provided in this Service Plan, including but not limited to Section IV and Section VIII, and the statutory findings and conclusions set forth herein.

**Exhibit A  
Vicinity Map**



## TWO BRIDGES METROPOLITIAN DISTRICT



VICINITY MAP

**Exhibit B-1**  
**Initial District Boundaries Legal Description**

**TWO BRIDGES METROPOLITAN DISTRICT**

**Parcels 1-60 and Tracts A, J, K, L, M, N, P, and Q, High Prairie International Polo Club RSP,  
County of Douglas, Colorado, containing an area of 472.02, acres more or less.**

**Exhibit B-2**  
**Future Inclusion Area Legal Description**

**FUTURE INCLUSION AREA**

Tracts B, C, D, E, F, G, H, and R, High Prairie International Polo Club RSP, County of Douglas, Colorado, containing an area of 576.48 acres, more or less.

**Exhibit C-1**  
**District Boundary Map**



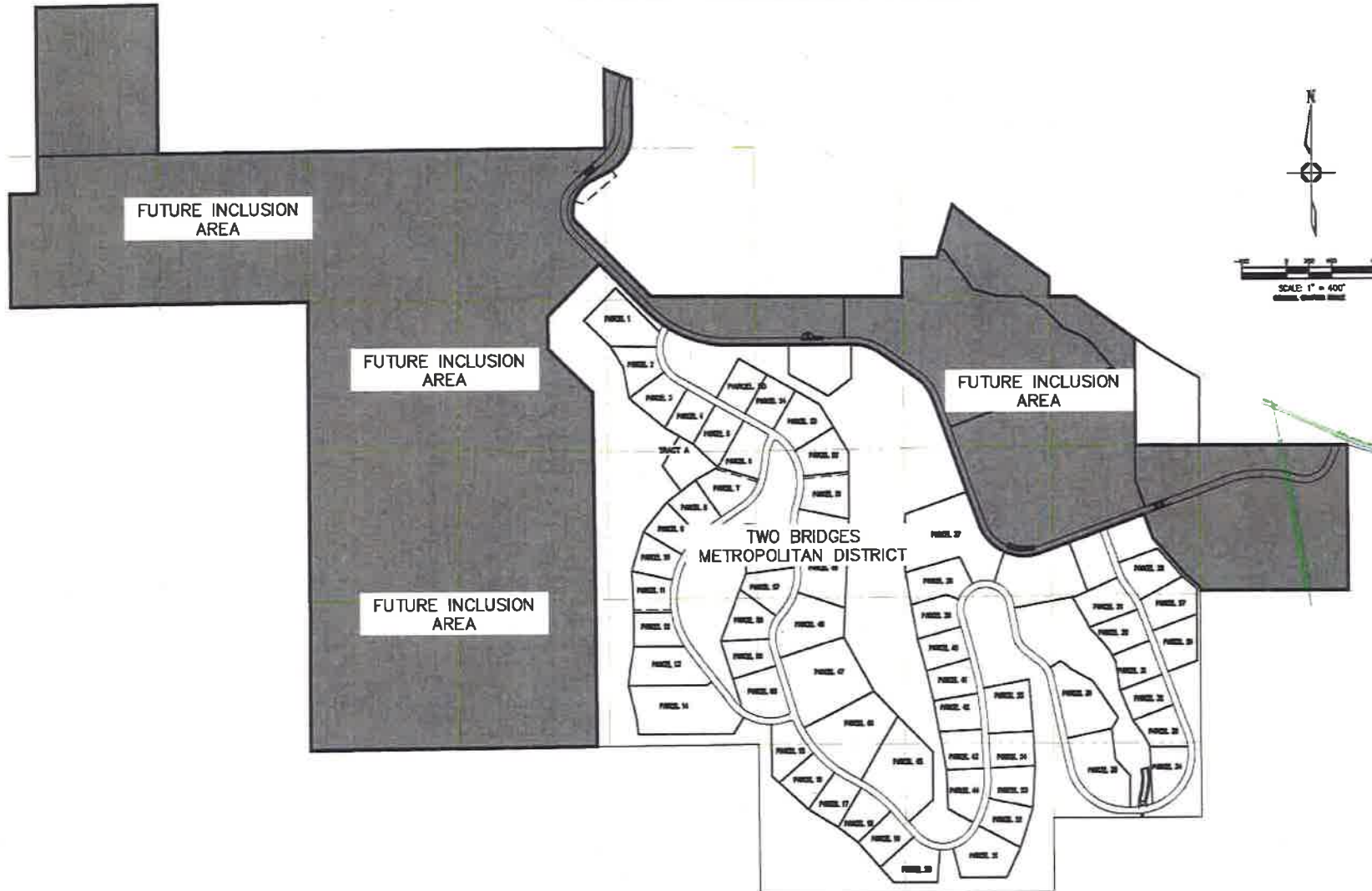


**Manhard**  
CONSULTING LTD.

**TWO BRIDGES METROPOLITAN DISTRICT**  
**DOUGLAS COUNTY, COLORADO**  
**DISTRICT BOUNDARY MAP**

**Exhibit C-2**  
**Future Inclusion Area Boundary Map**

# TWO BRIDGES METROPOLITAN DISTRICT -FUTURE INCLUSION AREA-



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TWO BRIDGES METROPOLITAN DISTRICT  
DOUGLAS COUNTY, COLORADO  
FUTURE INCLUSION AREA

**Exhibit D**  
**Cost of Improvements**



## High Prairie Polo Club Phase I Certified Costs Summary By Category

| Category                            | Total Eligible<br>Phase I Costs | Category<br>Percentage |
|-------------------------------------|---------------------------------|------------------------|
| Water                               | \$ 3,244.68                     | 0.1%                   |
| Storm Sewer                         | \$ 1,758,453.58                 | 29.7%                  |
| Sanitation and Wastewater Treatment | \$ -                            | 0.0%                   |
| Street Improvements                 | \$ 4,158,434.61                 | 70.2%                  |
| Traffic and Safety Protection       | \$ 2,910.53                     | 0.0%                   |
| Parks and Recreation                | \$ 3,768.96                     | 0.1%                   |
|                                     | \$ 5,926,812.36                 | 100.0%                 |

TWO BRIDGES METROPOLITAN DISTRICT  
PHASE II COST ESTIMATE

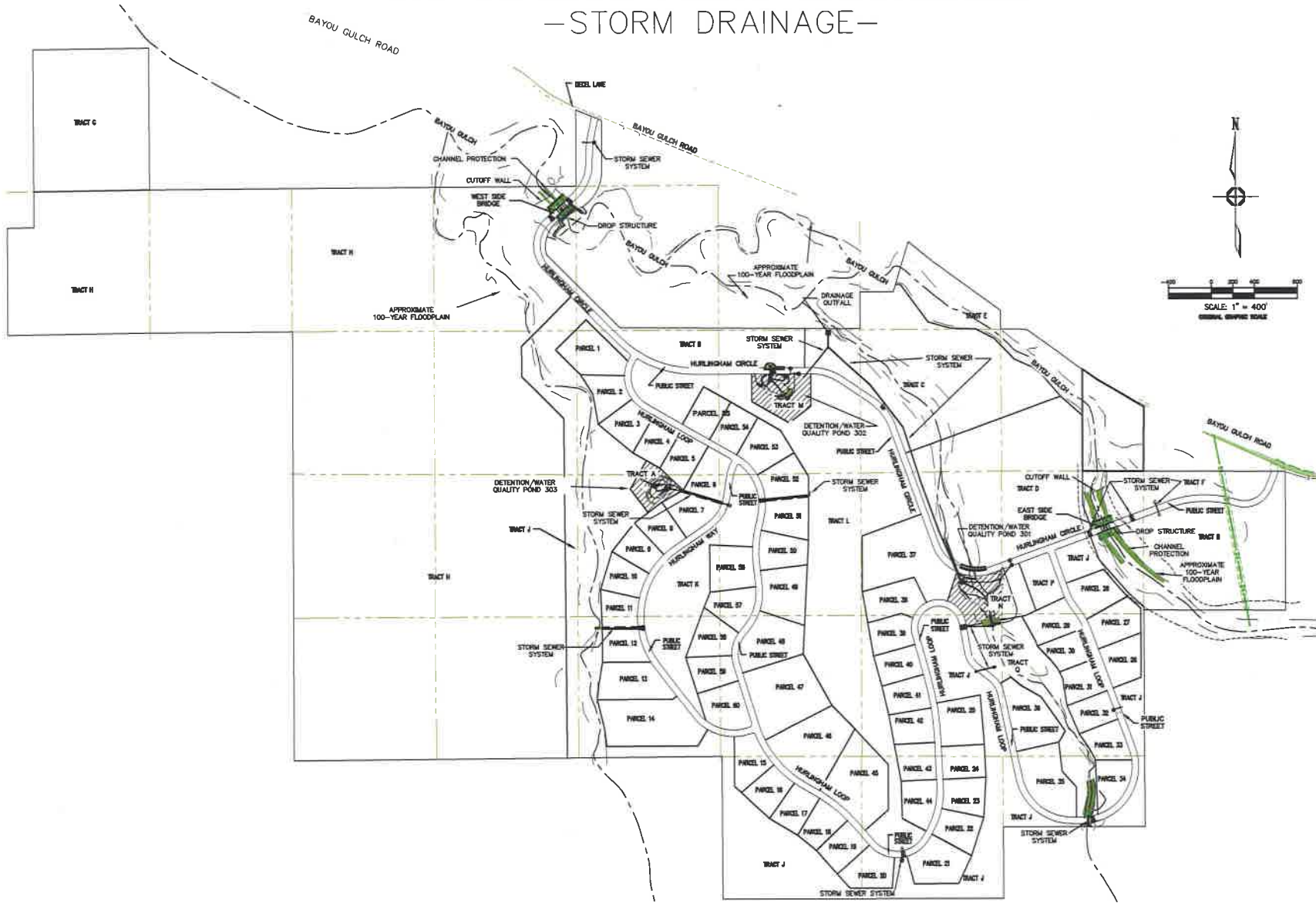


| DESCRIPTION                                    | COST ESTIMATE |
|------------------------------------------------|---------------|
| <b>ROADWAYS</b>                                |               |
| BAYOU GULCH - DECEL LANE                       | \$ 64,840     |
| HURLINGHAM CIRCLE                              | \$ 306,213    |
| HURLINGHAM WAY                                 | \$ 289,079    |
| SIGNAGE & PAVEMENT MARKINGS                    | \$ 21,085     |
| <b>BRIDGE DRAINAGE</b>                         |               |
| WEST BRIDGE DRAINAGE                           | \$ 28,750     |
| EAST BRIDGE DRAINAGE                           | \$ 434,510    |
| <b>DETENTION POND AND STORM SEWER</b>          |               |
| POND 301                                       | \$ 102,714    |
| POND 302                                       | \$ 75,907     |
| POND 303                                       | \$ 34,564     |
| STORM SEWER CLEANOUT                           | \$ 15,107     |
| <b>GRADING EROSION AND SEDIMENT CONTROL</b>    |               |
| EROSION CONTROL BMPs                           | \$ 121,380    |
| <b>EARTHWORK</b>                               |               |
| POLO FIELD GRADING                             | \$ 65,740     |
| <b>MOBILIZATION (GENERAL CONDITIONS)</b>       |               |
| GENERAL CONDITIONS                             | \$ 20,900     |
| <b>MISC. COSTS</b>                             |               |
| LANDSCAPING                                    | \$ 486,177    |
| EAST BRIDGE FACING                             | \$ 139,049    |
| WEST BRIDGE FACING                             | \$ 129,793    |
| CRACK SEAL & SPRAY WEEDS ON EXISTING ROADS     | \$ 15,000     |
| REFRESH AGGREGATE SHOULDERS (2")               | \$ 29,744     |
| TRAILS & SHELTERS                              | \$ 546,755    |
| <b>DIRECT COST TOTAL</b>                       | \$ 2,927,307  |
| <b>CONTINGENCIES/ALLOWANCES</b>                |               |
| CONSTRUCTION CONTINGENCY                       | \$ 237,888    |
| <b>CONTINGENCY COSTS TOTAL</b>                 | \$ 237,888    |
| <b>DIRECT COSTS W/ CONTINGENCY COSTS TOTAL</b> | \$ 3,165,195  |
| <b>INDIRECT COSTS</b>                          |               |
| DESIGN AND PROFESSIONAL SERVICES               | \$ 83,550     |
| SURVEYING                                      | \$ 60,064     |
| CONSTRUCTION OBSERVATION AND MATERIALS TESTING | \$ 45,048     |
| PERMITS                                        | \$ 25,000     |
| <b>INDIRECT COSTS TOTAL</b>                    | \$ 213,662    |
| <b>DIRECT AND INDIRECT COSTS TOTAL</b>         | \$ 3,378,857  |
| <b>CONSTRUCTION FEES</b>                       |               |
| CONSTRUCTION MANAGEMENT FEE                    | \$ 128,647    |
| <b>CONSTRUCTION FEES COSTS TOTAL</b>           | \$ 128,647    |
| <b>BOND COSTS</b>                              |               |
| BOND COSTS                                     | \$ 52,874     |
| <b>BOND COSTS TOTAL</b>                        | \$ 52,874     |
| <b>TOTAL</b>                                   | \$ 3,560,378  |

**Exhibit E**  
**Map of Improvements**



# EXHIBIT E MAP DEPICTING PUBLIC IMPROVEMENTS —STORM DRAINAGE—



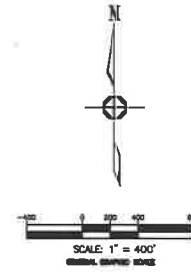
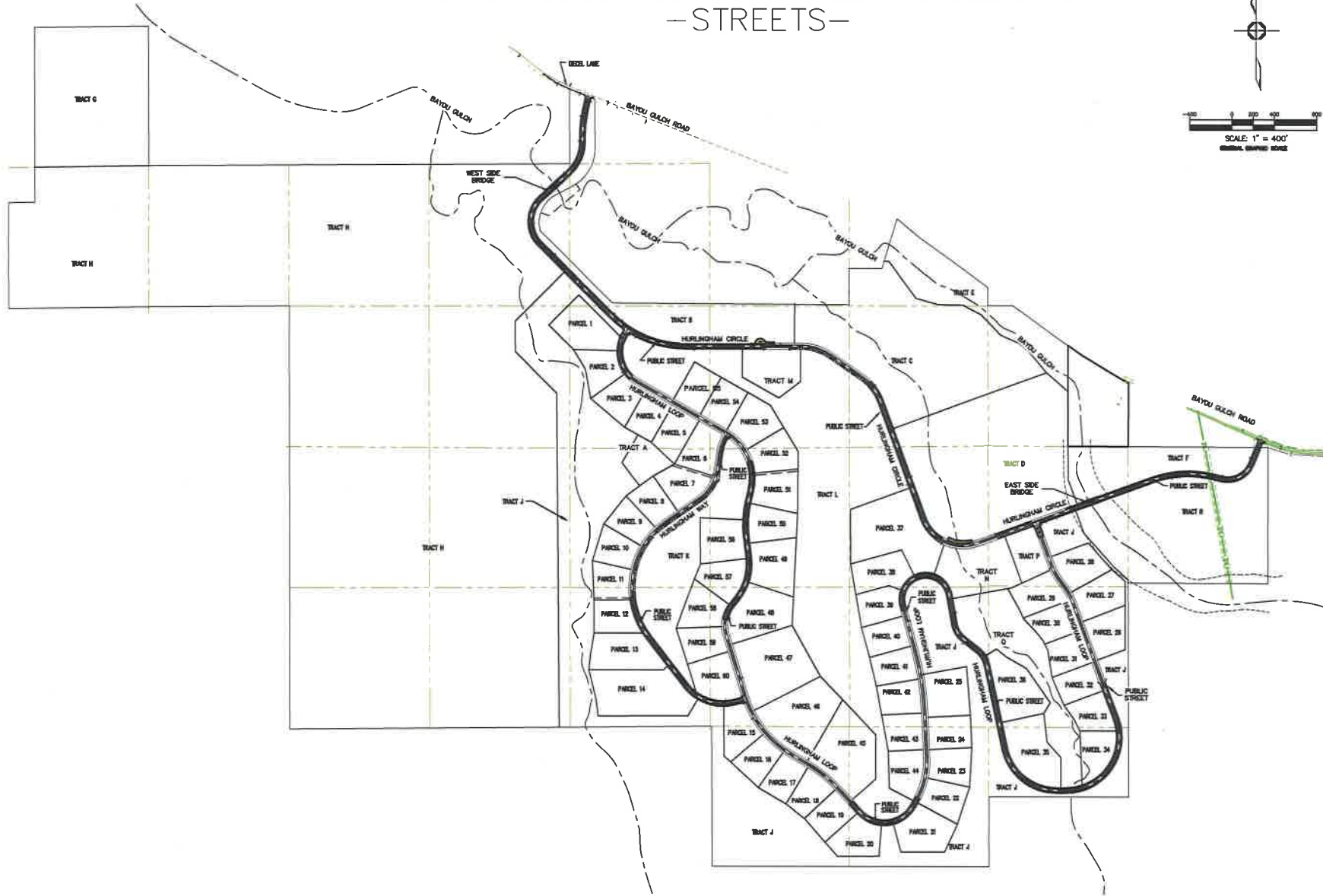
|       |       |       |       |       |       |       |       |       |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| NO. 1 | NO. 2 | NO. 3 | NO. 4 | NO. 5 | NO. 6 | NO. 7 | NO. 8 | NO. 9 | NO. 10 | NO. 11 | NO. 12 | NO. 13 | NO. 14 | NO. 15 | NO. 16 | NO. 17 | NO. 18 | NO. 19 | NO. 20 | NO. 21 | NO. 22 | NO. 23 | NO. 24 | NO. 25 | NO. 26 | NO. 27 | NO. 28 | NO. 29 | NO. 30 | NO. 31 | NO. 32 | NO. 33 | NO. 34 | NO. 35 | NO. 36 | NO. 37 | NO. 38 | NO. 39 | NO. 40 | NO. 41 | NO. 42 | NO. 43 | NO. 44 | NO. 45 | NO. 46 | NO. 47 | NO. 48 | NO. 49 | NO. 50 |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|

**Manhard**  
CONSULTING LTD.  
Professional Engineers • Professional Land Surveyors • Professional Geologists • Professional Environmental Scientists • Professional Planners

HIGH PRAIRIE POLO CLUB METROPOLITAN DISTRICT #2  
DOUGLAS COUNTY, COLORADO  
DRAINAGE IMPROVEMENTS

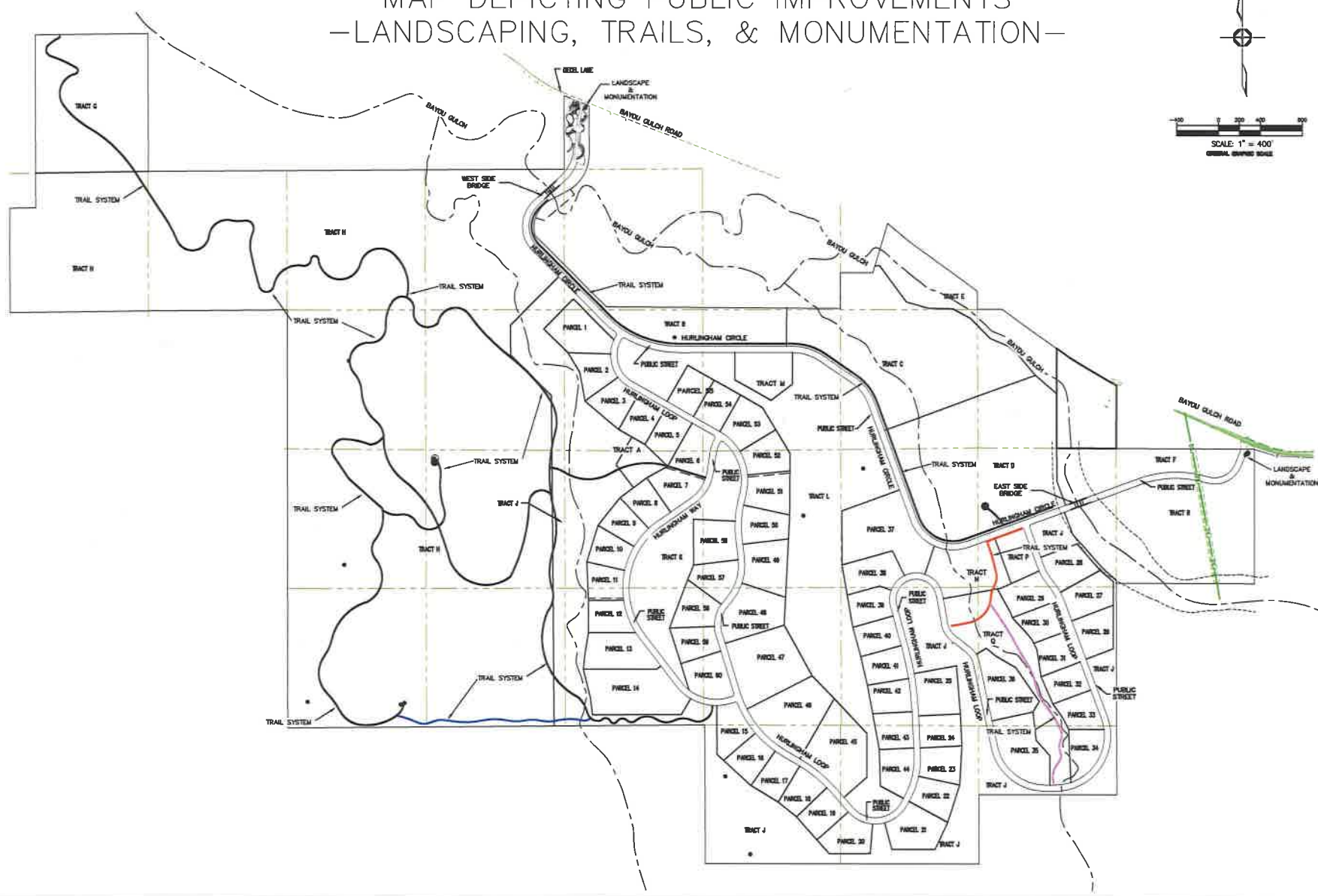
DATE: 10/1/2010  
PROJECT: 10/1/2010  
SHEET: 10/1/2010  
CONTRACT: 10/1/2010  
2

# EXHIBIT E MAP DEPICTING PUBLIC IMPROVEMENTS —STREETS—



| NO. | DESCRIPTION                            | DATE      | BY         | CHECKED    | APPROVED   |
|-----|----------------------------------------|-----------|------------|------------|------------|
| 1   | Map of Public Improvements for Streets | 10/1/2010 | J. Manhard | J. Manhard | J. Manhard |
| 2   | Map of Public Improvements for Streets | 10/1/2010 | J. Manhard | J. Manhard | J. Manhard |
| 3   | Map of Public Improvements for Streets | 10/1/2010 | J. Manhard | J. Manhard | J. Manhard |
| 4   | Map of Public Improvements for Streets | 10/1/2010 | J. Manhard | J. Manhard | J. Manhard |
| 5   | Map of Public Improvements for Streets | 10/1/2010 | J. Manhard | J. Manhard | J. Manhard |
| 6   | Map of Public Improvements for Streets | 10/1/2010 | J. Manhard | J. Manhard | J. Manhard |
| 7   | Map of Public Improvements for Streets | 10/1/2010 | J. Manhard | J. Manhard | J. Manhard |
| 8   | Map of Public Improvements for Streets | 10/1/2010 | J. Manhard | J. Manhard | J. Manhard |
| 9   | Map of Public Improvements for Streets | 10/1/2010 | J. Manhard | J. Manhard | J. Manhard |
| 10  | Map of Public Improvements for Streets | 10/1/2010 | J. Manhard | J. Manhard | J. Manhard |

HIGH PRAIRIE POLO CLUB METROPOLITAN DISTRICT #2  
DOUGLAS COUNTY, COLORADO  
DISTRICT ROAD IMPROVEMENTS



**Exhibit F**  
**Financial Plan**

**TWO BRIDGES METROPOLITAN DISTRICT**

Development Projection at 45,000 (target) Mills for Debt Service

Series 2020, G.O. Bonds, Non-Rated, 120x @ Cap, 30-yr. Maturity

| YEAR | <<<<<< Residential >>>>>> |                                                 |                             |                            |                                                   |                            | < Platted/Developed Lots >                         |                            |           |        | District<br>D/S Mill Levy<br>[45,000 Target]<br>[50,000 Cap] | District<br>D/S Mill Levy<br>Collections<br>@ 99% | District<br>S.O. Taxes<br>Collected<br>@ 6% | Total<br>Facility Fees<br>Collections | Total<br>Available<br>Revenue |
|------|---------------------------|-------------------------------------------------|-----------------------------|----------------------------|---------------------------------------------------|----------------------------|----------------------------------------------------|----------------------------|-----------|--------|--------------------------------------------------------------|---------------------------------------------------|---------------------------------------------|---------------------------------------|-------------------------------|
|      | Total<br>Res'l Units      | Mkt Value<br>Biennial<br>Reassessment<br>@ 2.0% | Manual<br>Adj. <sup>1</sup> | Cumulative<br>Market Value | As'ed Value<br>@ 7.98%<br>of Market<br>(2-yr lag) | Cumulative<br>Market Value | As'ed Value<br>@ 29.00%<br>of Market<br>(2-yr lag) | Total<br>Assessed<br>Value |           |        |                                                              |                                                   |                                             |                                       |                               |
| 2015 |                           |                                                 |                             | 287,437                    | 287,437                                           |                            | 3,287,724                                          |                            |           |        |                                                              |                                                   |                                             |                                       |                               |
| 2016 |                           |                                                 |                             |                            | 287,437                                           |                            | 4,369,890                                          |                            |           |        |                                                              | \$0                                               | \$0                                         | 0                                     | 0                             |
| 2017 |                           |                                                 |                             |                            | 11,325,534                                        | 22,880                     | 5,006,264                                          | 953,440                    | 976,320   | 0.000  | 0                                                            | 0                                                 | 0                                           | 40,000                                | 40,000                        |
| 2018 | 8                         | 226,511                                         |                             |                            | 34,069,764                                        | 22,880                     | 4,249,948                                          | 1,267,268                  | 1,290,148 | 0.000  | 0                                                            | 0                                                 | 0                                           | 80,000                                | 80,000                        |
| 2019 | 16                        |                                                 |                             |                            | 58,473,341                                        | 901,513                    | 3,302,638                                          | 1,451,816                  | 2,353,329 | 0.000  | 0                                                            | 0                                                 | 0                                           | 85,000                                | 85,000                        |
| 2020 | 17                        | 1,169,467                                       |                             |                            | 84,534,457                                        | 2,711,953                  | 190,995                                            | 1,232,485                  | 3,944,438 | 0.000  | 0                                                            | 0                                                 | 0                                           | 85,000                                | 85,000                        |
| 2021 | 1                         |                                                 |                             |                            | 86,027,956                                        | 4,654,478                  | 0                                                  | 957,765                    | 5,612,243 | 45.000 | 247,500                                                      | 14,850                                            | 5,000                                       | 267,350                               |                               |
| 2022 | 0                         | 1,720,559                                       |                             |                            | 87,748,515                                        | 6,728,943                  | 0                                                  | 55,389                     | 6,784,331 | 45.000 | 299,189                                                      | 17,951                                            | 0                                           | 317,140                               |                               |
| 2023 | 0                         |                                                 |                             |                            | 87,748,515                                        | 6,847,825                  | 0                                                  | 0                          | 6,847,825 | 45.000 | 301,989                                                      | 18,119                                            | 0                                           | 320,108                               |                               |
| 2024 | 0                         | 1,754,970                                       |                             |                            | 89,503,485                                        | 6,984,782                  | 0                                                  | 0                          | 6,984,782 | 45.000 | 308,029                                                      | 18,482                                            | 0                                           | 326,511                               |                               |
| 2025 | 0                         |                                                 |                             |                            | 89,503,485                                        | 6,984,782                  | 0                                                  | 0                          | 6,984,782 | 45.000 | 308,029                                                      | 18,482                                            | 0                                           | 326,511                               |                               |
| 2026 | 0                         | 1,790,070                                       |                             |                            | 91,293,555                                        | 7,124,477                  | 0                                                  | 0                          | 7,124,477 | 45.000 | 314,189                                                      | 18,851                                            | 0                                           | 333,041                               |                               |
| 2027 | 0                         |                                                 |                             |                            | 91,293,555                                        | 7,124,477                  | 0                                                  | 0                          | 7,124,477 | 45.000 | 314,189                                                      | 18,851                                            | 0                                           | 333,041                               |                               |
| 2028 | 0                         | 1,825,871                                       |                             |                            | 93,119,426                                        | 7,266,967                  | 0                                                  | 0                          | 7,266,967 | 45.000 | 320,473                                                      | 19,228                                            | 0                                           | 339,702                               |                               |
| 2029 | 0                         |                                                 |                             |                            | 93,119,426                                        | 7,266,967                  | 0                                                  | 0                          | 7,266,967 | 45.000 | 320,473                                                      | 19,228                                            | 0                                           | 339,702                               |                               |
| 2030 | 0                         | 1,862,389                                       |                             |                            | 94,981,814                                        | 7,412,306                  | 0                                                  | 0                          | 7,412,306 | 45.000 | 326,883                                                      | 19,613                                            | 0                                           | 346,496                               |                               |
| 2031 | 0                         |                                                 |                             |                            | 94,981,814                                        | 7,412,306                  | 0                                                  | 0                          | 7,412,306 | 45.000 | 326,883                                                      | 19,613                                            | 0                                           | 346,496                               |                               |
| 2032 | 0                         | 1,899,636                                       |                             |                            | 96,881,451                                        | 7,560,552                  | 0                                                  | 0                          | 7,560,552 | 45.000 | 333,420                                                      | 20,005                                            | 0                                           | 353,426                               |                               |
| 2033 | 0                         |                                                 |                             |                            | 96,881,451                                        | 7,560,552                  | 0                                                  | 0                          | 7,560,552 | 45.000 | 333,420                                                      | 20,005                                            | 0                                           | 353,426                               |                               |
| 2034 | 0                         | 1,937,629                                       |                             |                            | 98,819,080                                        | 7,711,763                  | 0                                                  | 0                          | 7,711,763 | 45.000 | 340,089                                                      | 20,405                                            | 0                                           | 360,494                               |                               |
| 2035 | 0                         |                                                 |                             |                            | 98,819,080                                        | 7,711,763                  | 0                                                  | 0                          | 7,711,763 | 45.000 | 340,089                                                      | 20,405                                            | 0                                           | 360,494                               |                               |
| 2036 |                           | 1,976,382                                       |                             |                            | 100,795,461                                       | 7,865,999                  | 0                                                  | 0                          | 7,865,999 | 45.000 | 346,891                                                      | 20,813                                            |                                             | 367,704                               |                               |
| 2037 |                           |                                                 |                             |                            | 100,795,461                                       | 7,865,999                  | 0                                                  | 0                          | 7,865,999 | 45.000 | 346,891                                                      | 20,813                                            |                                             | 367,704                               |                               |
| 2038 |                           | 2,015,909                                       |                             |                            | 102,811,370                                       | 8,023,319                  | 0                                                  | 0                          | 8,023,319 | 45.000 | 353,828                                                      | 21,230                                            |                                             | 375,058                               |                               |
| 2039 |                           |                                                 |                             |                            | 102,811,370                                       | 8,023,319                  | 0                                                  | 0                          | 8,023,319 | 45.000 | 353,828                                                      | 21,230                                            |                                             | 375,058                               |                               |
| 2040 |                           | 2,056,227                                       |                             |                            | 104,867,598                                       | 8,183,785                  | 0                                                  | 0                          | 8,183,785 | 45.000 | 360,905                                                      | 21,654                                            |                                             | 382,559                               |                               |
| 2041 |                           |                                                 |                             |                            | 104,867,598                                       | 8,183,785                  | 0                                                  | 0                          | 8,183,785 | 45.000 | 360,905                                                      | 21,654                                            |                                             | 382,559                               |                               |
| 2042 |                           | 2,097,352                                       |                             |                            | 106,964,950                                       | 8,347,461                  | 0                                                  | 0                          | 8,347,461 | 45.000 | 368,123                                                      | 22,087                                            |                                             | 390,210                               |                               |
| 2043 |                           |                                                 |                             |                            | 106,964,950                                       | 8,347,461                  | 0                                                  | 0                          | 8,347,461 | 45.000 | 368,123                                                      | 22,087                                            |                                             | 390,210                               |                               |
| 2044 |                           | 2,139,299                                       |                             |                            | 109,104,249                                       | 8,514,410                  | 0                                                  | 0                          | 8,514,410 | 45.000 | 375,485                                                      | 22,529                                            |                                             | 398,015                               |                               |
| 2045 |                           |                                                 |                             |                            | 109,104,249                                       | 8,514,410                  | 0                                                  | 0                          | 8,514,410 | 45.000 | 375,485                                                      | 22,529                                            |                                             | 398,015                               |                               |
| 2046 |                           | 2,182,085                                       |                             |                            | 111,286,334                                       | 8,684,698                  | 0                                                  | 0                          | 8,684,698 | 45.000 | 382,995                                                      | 22,980                                            |                                             | 405,975                               |                               |
| 2047 |                           |                                                 |                             |                            | 111,286,334                                       | 8,684,698                  | 0                                                  | 0                          | 8,684,698 | 45.000 | 382,995                                                      | 22,980                                            |                                             | 405,975                               |                               |
| 2048 |                           | 2,225,727                                       |                             |                            | 113,512,061                                       | 8,858,392                  | 0                                                  | 0                          | 8,858,392 | 45.000 | 390,655                                                      | 23,439                                            |                                             | 414,094                               |                               |
| 2049 |                           |                                                 |                             |                            | 113,512,061                                       | 8,858,392                  | 0                                                  | 0                          | 8,858,392 | 45.000 | 390,655                                                      | 23,439                                            |                                             | 414,094                               |                               |
| 2050 |                           | 2,270,241                                       |                             |                            | 115,782,302                                       | 9,035,560                  | 0                                                  | 0                          | 9,035,560 | 45.000 | 398,468                                                      | 23,908                                            |                                             | 422,376                               |                               |
|      | 59                        | 31,150,324                                      |                             | 287,437                    |                                                   |                            |                                                    |                            |           |        | 10,291,078                                                   | 617,465                                           |                                             | 285,000                               | 11,203,543                    |

[1] Adj. to actual/prelim AV



**TWO BRIDGES METROPOLITAN DISTRICT**

Development Projection at 45.000 (target) Mills for Debt Service

Series 2020, G.O. Bonds, Non-Rated, 120x @ Cap, 30-yr. Maturity

| YEAR | Net Available<br>for Debt Svc | Ser. 2020<br>\$5,365,000 Par<br>[Net \$4,767 MM]<br>Net Debt<br>Service | Annual<br>Surplus | Surplus<br>Release @<br>50% D/A<br>to \$536,500 | Cumulative<br>Surplus<br>\$536,500 Target | Senior<br>Debt/<br>Assessed<br>Ratio | Senior<br>Debt/<br>Act'l Value<br>Ratio | Cov. of Net DS:<br>@ 45.000 target | Cov. of Net DS:<br>@ 50.000 Cap |
|------|-------------------------------|-------------------------------------------------------------------------|-------------------|-------------------------------------------------|-------------------------------------------|--------------------------------------|-----------------------------------------|------------------------------------|---------------------------------|
| 2015 |                               |                                                                         | 0                 |                                                 |                                           |                                      |                                         |                                    |                                 |
| 2016 | 0                             |                                                                         | 0                 |                                                 | 0                                         | n/a                                  | n/a                                     | 0.0%                               | 0.0%                            |
| 2017 | 40,000                        |                                                                         | 40,000            |                                                 | 40,000                                    | 0%                                   | 0%                                      | 0.0%                               | 0.0%                            |
| 2018 | 80,000                        |                                                                         | 80,000            |                                                 | 120,000                                   | 0%                                   | 0%                                      | 0.0%                               | 0.0%                            |
| 2019 | 85,000                        |                                                                         | 85,000            |                                                 | 205,000                                   | 0%                                   | 0%                                      | 0.0%                               | 0.0%                            |
| 2020 | 85,000                        | \$0                                                                     | 85,000            |                                                 | 290,000                                   | 98%                                  | 5%                                      | 0.0%                               | 0.0%                            |
| 2021 | 267,350                       | 240,658                                                                 | 26,692            | 0                                               | 316,692                                   | 96%                                  | 6%                                      | 111.1%                             | 123.2%                          |
| 2022 | 317,140                       | 290,658                                                                 | 26,482            | 0                                               | 343,174                                   | 79%                                  | 6%                                      | 109.1%                             | 121.2%                          |
| 2023 | 320,108                       | 293,408                                                                 | 26,700            | 0                                               | 369,874                                   | 78%                                  | 6%                                      | 109.1%                             | 121.2%                          |
| 2024 | 326,511                       | 300,933                                                                 | 25,577            | 0                                               | 395,451                                   | 75%                                  | 6%                                      | 108.5%                             | 120.6%                          |
| 2025 | 326,511                       | 298,008                                                                 | 28,502            | 0                                               | 423,954                                   | 74%                                  | 6%                                      | 109.6%                             | 121.7%                          |
| 2026 | 333,041                       | 305,083                                                                 | 27,958            | 0                                               | 451,911                                   | 72%                                  | 6%                                      | 109.2%                             | 121.3%                          |
| 2027 | 333,041                       | 306,708                                                                 | 26,333            | 0                                               | 478,244                                   | 71%                                  | 6%                                      | 108.6%                             | 120.7%                          |
| 2028 | 339,702                       | 313,108                                                                 | 26,593            | 0                                               | 504,837                                   | 68%                                  | 5%                                      | 108.5%                             | 120.5%                          |
| 2029 | 339,702                       | 314,058                                                                 | 25,643            | 0                                               | 530,481                                   | 67%                                  | 5%                                      | 108.2%                             | 120.2%                          |
| 2030 | 346,496                       | 319,783                                                                 | 26,712            | 20,693                                          | 536,500                                   | 65%                                  | 5%                                      | 108.4%                             | 120.4%                          |
| 2031 | 346,496                       | 320,058                                                                 | 26,437            | 26,437                                          | 536,500                                   | 63%                                  | 5%                                      | 108.3%                             | 120.3%                          |
| 2032 | 353,426                       | 325,108                                                                 | 28,317            | 28,317                                          | 536,500                                   | 61%                                  | 5%                                      | 108.7%                             | 120.6%                          |
| 2033 | 353,426                       | 324,708                                                                 | 28,717            | 28,717                                          | 536,500                                   | 59%                                  | 5%                                      | 108.8%                             | 120.9%                          |
| 2034 | 360,494                       | 329,083                                                                 | 31,411            | 31,411                                          | 536,500                                   | 56%                                  | 4%                                      | 109.5%                             | 121.7%                          |
| 2035 | 360,494                       | 333,008                                                                 | 27,486            | 27,486                                          | 536,500                                   | 54%                                  | 4%                                      | 108.3%                             | 120.3%                          |
| 2036 | 367,704                       | 336,483                                                                 | 31,221            | 31,221                                          | 536,500                                   | 51%                                  | 4%                                      | 109.3%                             | 121.4%                          |
| 2037 | 367,704                       | 339,508                                                                 | 28,196            | 28,196                                          | 536,500                                   | 50%                                  | 4%                                      | 108.3%                             | 120.3%                          |
| 2038 | 375,058                       | 342,083                                                                 | 32,975            | 32,975                                          | 536,500                                   | 46%                                  | 4%                                      | 109.6%                             | 121.8%                          |
| 2039 | 375,058                       | 344,208                                                                 | 30,850            | 30,850                                          | 536,500                                   | 44%                                  | 3%                                      | 109.0%                             | 121.1%                          |
| 2040 | 382,559                       | 350,883                                                                 | 31,676            | 31,676                                          | 536,500                                   | 41%                                  | 3%                                      | 109.0%                             | 121.1%                          |
| 2041 | 382,559                       | 351,883                                                                 | 30,676            | 30,676                                          | 536,500                                   | 39%                                  | 3%                                      | 108.7%                             | 120.8%                          |
| 2042 | 390,210                       | 357,433                                                                 | 32,777            | 32,777                                          | 536,500                                   | 35%                                  | 3%                                      | 109.2%                             | 121.3%                          |
| 2043 | 390,210                       | 357,308                                                                 | 32,902            | 32,902                                          | 536,500                                   | 33%                                  | 3%                                      | 109.2%                             | 121.3%                          |
| 2044 | 398,015                       | 366,733                                                                 | 31,281            | 31,281                                          | 536,500                                   | 29%                                  | 2%                                      | 108.5%                             | 120.6%                          |
| 2045 | 398,015                       | 365,258                                                                 | 32,756            | 32,756                                          | 536,500                                   | 26%                                  | 2%                                      | 109.0%                             | 121.1%                          |
| 2046 | 405,975                       | 373,333                                                                 | 32,642            | 32,642                                          | 536,500                                   | 23%                                  | 2%                                      | 108.7%                             | 120.8%                          |
| 2047 | 405,975                       | 375,508                                                                 | 30,467            | 30,467                                          | 536,500                                   | 20%                                  | 2%                                      | 108.1%                             | 120.1%                          |
| 2048 | 414,094                       | 382,008                                                                 | 32,086            | 32,086                                          | 536,500                                   | 16%                                  | 1%                                      | 108.4%                             | 120.4%                          |
| 2049 | 414,094                       | 382,608                                                                 | 31,486            | 31,486                                          | 536,500                                   | 12%                                  | 1%                                      | 108.2%                             | 120.3%                          |
| 2050 | 422,376                       | 389,158                                                                 | 33,218            | 569,718                                         | 0                                         | 8%                                   | 1%                                      | 108.5%                             | 120.6%                          |
|      | 11,203,543                    | 10,028,772                                                              | 1,174,771         | 1,174,771                                       |                                           |                                      |                                         |                                    |                                 |

[Sum0617 20nrb]

PV to '20 @ 8.0%:  
\$200,402

**TWO BRIDGES METROPOLITAN DISTRICT**

**Operations Revenue and Expense Projection**



**Repay Developer Advances >>>**

| YEAR | Total Assessed Value | Oper'n's Mill Levy | Total Collections @ 98% | S.O. Taxes Collected @ 8% | Ops. Fee Rev. Per Home \$150 Per Month | Total Available For O&M | Less District Operations @ \$210,000 Infl. @ 1% | Developer Advances for Operations | Total Available for Sub Debt Service | Sub Bond Interest on Balance 5.00% | Less Payments Toward Developer Adv. Interest | Accrued Interest + Int. on Bal. @ 5.00% | Less Payments Toward Accrued Interest | Balance of Accrued Interest | Date Costs Incurred | Developer Advances Issued | Less Payments Toward Advance Principal | Balance of Dev'r Advance Principal | Surplus Cash Flow to District | Total Mills |
|------|----------------------|--------------------|-------------------------|---------------------------|----------------------------------------|-------------------------|-------------------------------------------------|-----------------------------------|--------------------------------------|------------------------------------|----------------------------------------------|-----------------------------------------|---------------------------------------|-----------------------------|---------------------|---------------------------|----------------------------------------|------------------------------------|-------------------------------|-------------|
| 2015 |                      |                    |                         |                           |                                        |                         |                                                 |                                   |                                      |                                    |                                              |                                         |                                       |                             |                     |                           |                                        |                                    |                               |             |
| 2016 |                      |                    |                         |                           |                                        |                         |                                                 |                                   |                                      |                                    |                                              |                                         |                                       |                             |                     |                           |                                        |                                    |                               |             |
| 2017 | 976,320              | 65.000             | 62,192                  | 3,731                     | 16,200                                 | 82,123                  | 210,000                                         | 127,877                           | 0                                    | \$0                                | \$0                                          | \$0                                     | \$0                                   | \$0                         | 12/1/17             | \$127,877                 | \$0                                    | \$127,877                          | 0                             | 65.000      |
| 2018 | 1,290,148            | 65.000             | 82,182                  | 4,931                     | 45,000                                 | 132,113                 | 212,100                                         | 79,987                            | 0                                    | 6,394                              | 0                                            | 6,394                                   | 0                                     | 6,394                       | 12/1/18             | 79,987                    | 0                                      | 207,864                            | 0                             | 65.000      |
| 2019 | 2,353,329            | 65.000             | 149,907                 | 8,994                     | 75,600                                 | 234,501                 | 214,221                                         | 0                                 | 20,280                               | 10,393                             | 10,393                                       | 320                                     | 6,714                                 | 0                           | 0                   | 0                         | 3,174                                  | 204,690                            | 0                             | 65.000      |
| 2020 | 3,944,436            | 65.000             | 251,261                 | 15,076                    | 106,200                                | 372,536                 | 216,363                                         | 0                                 | 156,173                              | 10,234                             | 10,234                                       | 0                                       | 0                                     | 0                           | 0                   | 0                         | 145,939                                | 58,751                             | 0                             | 65.000      |
| 2021 | 5,612,243            | 20.000             | 110,000                 | 6,600                     | 108,000                                | 224,600                 | 218,527                                         | 0                                 | 6,073                                | 2,938                              | 2,938                                        | 0                                       | 0                                     | 0                           | 0                   | 0                         | 3,136                                  | 55,616                             | 0                             | 65.000      |
| 2022 | 6,784,331            | 20.000             | 132,973                 | 7,978                     | 108,000                                | 248,951                 | 220,712                                         | 0                                 | 28,239                               | 2,781                              | 2,781                                        | 0                                       | 0                                     | 0                           | 0                   | 0                         | 25,458                                 | 30,157                             | 0                             | 65.000      |
| 2023 | 6,847,825            | 20.000             | 134,217                 | 8,053                     | 108,000                                | 250,270                 | 222,919                                         | 0                                 | 27,351                               | 1,508                              | 1,508                                        | 0                                       | 0                                     | 0                           | 0                   | 0                         | 25,843                                 | 4,314                              | 0                             | 65.000      |
| 2024 | 6,984,782            | 20.000             | 136,902                 | 8,214                     | 108,000                                | 253,116                 | 225,148                                         | 0                                 | 27,967                               | 216                                | 216                                          | 0                                       | 0                                     | 0                           | 0                   | 0                         | 4,314                                  | 0                                  | 23,438                        | 65.000      |
| 2025 | 6,984,782            | 20.000             | 136,902                 | 8,214                     | 108,000                                | 253,116                 | 227,400                                         | 0                                 | 25,716                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 25,716                        | 65.000      |
| 2026 | 7,124,477            | 20.000             | 139,640                 | 8,378                     | 108,000                                | 256,018                 | 229,674                                         | 0                                 | 26,344                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 26,344                        | 65.000      |
| 2027 | 7,124,477            | 20.000             | 139,640                 | 8,378                     | 108,000                                | 256,018                 | 231,971                                         | 0                                 | 24,047                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 24,047                        | 65.000      |
| 2028 | 7,266,967            | 20.000             | 142,433                 | 8,546                     | 108,000                                | 258,979                 | 234,290                                         | 0                                 | 24,688                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 24,688                        | 65.000      |
| 2029 | 7,266,967            | 20.000             | 142,433                 | 8,546                     | 108,000                                | 258,979                 | 236,633                                         | 0                                 | 22,345                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 22,345                        | 65.000      |
| 2030 | 7,412,306            | 20.000             | 145,281                 | 8,717                     | 108,000                                | 261,998                 | 238,000                                         | 0                                 | 22,998                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 22,998                        | 65.000      |
| 2031 | 7,412,306            | 20.000             | 145,281                 | 8,717                     | 108,000                                | 261,998                 | 241,390                                         | 0                                 | 20,608                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 20,608                        | 65.000      |
| 2032 | 7,560,552            | 20.000             | 148,187                 | 8,891                     | 108,000                                | 265,078                 | 243,903                                         | 0                                 | 21,275                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 21,275                        | 65.000      |
| 2033 | 7,560,552            | 20.000             | 148,187                 | 8,891                     | 108,000                                | 265,078                 | 246,242                                         | 0                                 | 18,837                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 18,837                        | 65.000      |
| 2034 | 7,711,763            | 20.000             | 151,151                 | 9,069                     | 108,000                                | 268,220                 | 248,704                                         | 0                                 | 19,516                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 19,516                        | 65.000      |
| 2035 | 7,711,763            | 20.000             | 151,151                 | 9,069                     | 108,000                                | 268,220                 | 251,191                                         | 0                                 | 17,029                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 17,029                        | 65.000      |
| 2036 | 7,865,999            | 20.000             | 154,174                 | 9,250                     | 108,000                                | 271,424                 | 253,703                                         | 0                                 | 17,721                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 17,721                        | 65.000      |
| 2037 | 7,865,999            | 20.000             | 154,174                 | 9,250                     | 108,000                                | 271,424                 | 256,240                                         | 0                                 | 15,184                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 15,184                        | 65.000      |
| 2038 | 8,023,319            | 20.000             | 157,257                 | 9,435                     | 108,000                                | 274,692                 | 258,802                                         | 0                                 | 15,890                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 15,890                        | 65.000      |
| 2039 | 8,023,319            | 20.000             | 157,257                 | 9,435                     | 108,000                                | 274,692                 | 261,390                                         | 0                                 | 13,302                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 13,302                        | 65.000      |
| 2040 | 8,183,785            | 20.000             | 160,402                 | 9,624                     | 108,000                                | 278,026                 | 264,004                                         | 0                                 | 14,022                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 14,022                        | 65.000      |
| 2041 | 8,183,785            | 20.000             | 160,402                 | 9,624                     | 108,000                                | 278,026                 | 266,644                                         | 0                                 | 11,382                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 11,382                        | 65.000      |
| 2042 | 8,347,461            | 20.000             | 163,610                 | 9,817                     | 108,000                                | 281,427                 | 269,311                                         | 0                                 | 12,116                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 12,116                        | 65.000      |
| 2043 | 8,347,461            | 20.000             | 163,610                 | 9,817                     | 108,000                                | 281,427                 | 272,004                                         | 0                                 | 9,423                                | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 9,423                         | 65.000      |
| 2044 | 8,514,410            | 20.000             | 166,882                 | 10,013                    | 108,000                                | 284,895                 | 274,724                                         | 0                                 | 10,172                               | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 10,172                        | 65.000      |
| 2045 | 8,514,410            | 20.000             | 166,882                 | 10,013                    | 108,000                                | 284,895                 | 277,471                                         | 0                                 | 7,424                                | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 7,424                         | 65.000      |
| 2046 | 8,684,698            | 20.000             | 170,220                 | 10,213                    | 108,000                                | 288,433                 | 280,246                                         | 0                                 | 8,187                                | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 8,187                         | 65.000      |
| 2047 | 8,684,698            | 20.000             | 170,220                 | 10,213                    | 108,000                                | 288,433                 | 283,048                                         | 0                                 | 5,385                                | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 5,385                         | 65.000      |
| 2048 | 8,858,392            | 20.000             | 173,624                 | 10,417                    | 108,000                                | 292,042                 | 285,879                                         | 0                                 | 6,163                                | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 6,163                         | 65.000      |
| 2049 | 8,858,392            | 20.000             | 173,624                 | 10,417                    | 108,000                                | 292,042                 | 288,738                                         | 0                                 | 3,304                                | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 3,304                         | 65.000      |
| 2050 | 9,035,560            | 20.000             | 177,097                 | 10,626                    | 108,000                                | 295,723                 | 291,625                                         | 0                                 | 4,098                                | 0                                  | 0                                            | 0                                       | 0                                     | 0                           | 0                   | 0                         | 0                                      | 0                                  | 4,098                         | 65.000      |
|      |                      |                    | 5,119,354               | 307,161                   | 3,483,000                              | 8,909,516               | 8,454,117                                       | 207,864                           | 663,262                              | 34,463                             | 28,070                                       | 6,714                                   | 6,714                                 |                             |                     | 207,864                   | 207,864                                |                                    | 420,616                       |             |

# TWO BRIDGES METROPOLITAN DISTRICT

Development Projection -- Buildout Plan (updated 11/2/16)



| YEAR | Residential Development |                |                                   |                           |                 | Residential Summary                  |                      |                                              |                                      |                |
|------|-------------------------|----------------|-----------------------------------|---------------------------|-----------------|--------------------------------------|----------------------|----------------------------------------------|--------------------------------------|----------------|
|      | <u>SFDs</u>             |                |                                   |                           |                 |                                      |                      |                                              |                                      |                |
|      | Incr/(Decr) in          |                | # Units<br>Completed<br>59 target | Price<br>Inflated @<br>2% | Market<br>Value | Total<br>Residential<br>Market Value | Total<br>Res'l Units | Total SFD<br>Facility Fees<br>@ \$5,000/unit | Value of Platted &<br>Developed Lots |                |
|      | # Lots<br>Devel'd       | Value @<br>10% |                                   |                           |                 |                                      |                      |                                              | Adjustment <sup>1</sup>              | Adjusted Value |
| 2015 | 0                       | 0              |                                   | \$1,352,708               | 0               | \$0                                  | 0                    | 0                                            | 3,287,724                            | 3,287,724      |
| 2016 | 8                       | 1,082,166      |                                   | 1,352,708                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 1,082,166      |
| 2017 | 16                      | 1,082,166      | 8                                 | 1,379,762                 | 11,038,097      | 11,038,097                           | 8                    | 40,000                                       | (445,793)                            | 636,373        |
| 2018 | 17                      | 135,271        | 16                                | 1,407,357                 | 22,517,718      | 22,517,718                           | 16                   | 80,000                                       | (891,586)                            | (756,315)      |
| 2019 | 17                      | 0              | 17                                | 1,435,505                 | 24,403,577      | 24,403,577                           | 17                   | 85,000                                       | (947,310)                            | (947,310)      |
| 2020 | 1                       | (2,164,333)    | 17                                | 1,464,215                 | 24,891,649      | 24,891,649                           | 17                   | 85,000                                       | (947,310)                            | (3,111,643)    |
| 2021 | 0                       | (135,271)      | 1                                 | 1,493,499                 | 1,493,499       | 1,493,499                            | 1                    | 5,000                                        | (55,724)                             | (190,995)      |
| 2022 | 0                       | 0              | 0                                 | 1,523,369                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 0              |
| 2023 | 0                       | 0              | 0                                 | 1,553,836                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 0              |
| 2024 | 0                       | 0              | 0                                 | 1,584,913                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 0              |
| 2025 | 0                       | 0              | 0                                 | 1,616,611                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 0              |
| 2026 | 0                       | 0              | 0                                 | 1,648,944                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 0              |
| 2027 | 0                       | 0              | 0                                 | 1,681,922                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 0              |
| 2028 | 0                       | 0              | 0                                 | 1,715,561                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 0              |
| 2029 | 0                       | 0              | 0                                 | 1,749,872                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 0              |
| 2030 | 0                       | 0              | 0                                 | 1,784,869                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 0              |
| 2031 | 0                       | 0              | 0                                 | 1,820,567                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 0              |
| 2032 | 0                       | 0              | 0                                 | 1,856,978                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 0              |
| 2033 | 0                       | 0              | 0                                 | 1,894,118                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 0              |
| 2034 | 0                       | 0              | 0                                 | 1,932,000                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 0              |
| 2035 |                         | 0              | 0                                 | 1,970,640                 | 0               | 0                                    | 0                    | 0                                            | 0                                    | 0              |
|      | 59                      | (0)            | 59                                |                           | 84,344,541      | 84,344,541                           | 59                   | 295,000                                      | 0                                    | 0              |

[1] Adj. to actual/prelim AV



## SOURCES AND USES OF FUNDS

### TWO BRIDGES METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2020 45.00 (target) Mills Non-Rated, 120x @ Cap, 30-yr. Maturity [ Preliminary -- for discussion only ]

|               |            |
|---------------|------------|
| Dated Date    | 12/01/2020 |
| Delivery Date | 12/01/2020 |

#### Sources:

|                |              |
|----------------|--------------|
| Bond Proceeds: |              |
| Par Amount     | 5,365,000.00 |
|                | 5,365,000.00 |

#### Uses:

|                          |              |
|--------------------------|--------------|
| Project Fund Deposits:   |              |
| Project Fund             | 4,767,025.00 |
| Other Fund Deposits:     |              |
| Debt Service Reserve     | 383,375.00   |
| Delivery Date Expenses:  |              |
| Costs of Issuance (est.) | 214,600.00   |
|                          | 5,365,000.00 |

## BOND SUMMARY STATISTICS

### TWO BRIDGES METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2020 45.00 (target) Mills Non-Rated, 120x @ Cap, 30-yr. Maturity [ Preliminary -- for discussion only ]

|                                 |                |
|---------------------------------|----------------|
| Dated Date                      | 12/01/2020     |
| Delivery Date                   | 12/01/2020     |
| First Coupon                    | 06/01/2021     |
| Last Maturity                   | 12/01/2050     |
| Arbitrage Yield                 | 4.500000%      |
| True Interest Cost (TIC)        | 4.500000%      |
| Net Interest Cost (NIC)         | 4.500000%      |
| All-In TIC                      | 4.818796%      |
| Average Coupon                  | 4.500000%      |
| Average Life (years)            | 21.001         |
| Duration of Issue (years)       | 13.220         |
| Par Amount                      | 5,365,000.00   |
| Bond Proceeds                   | 5,365,000.00   |
| Total Interest                  | 5,070,150.00   |
| Net Interest                    | 5,070,150.00   |
| Bond Years from Dated Date      | 112,670,000.00 |
| Bond Years from Delivery Date   | 112,670,000.00 |
| Total Debt Service              | 10,435,150.00  |
| Maximum Annual Debt Service     | 773,300.00     |
| Average Annual Debt Service     | 347,838.33     |
| Underwriter's Fees (per \$1000) |                |
| Average Takedown                |                |
| Other Fee                       |                |
| Total Underwriter's Discount    |                |
| Bid Price                       | 100.000000     |

| Bond Component  | Par Value    | Price   | Average Coupon | Average Life | Average Maturity Date | PV of 1 bp change |
|-----------------|--------------|---------|----------------|--------------|-----------------------|-------------------|
| 30-yr Term Bond | 5,365,000.00 | 100.000 | 4.500%         | 21.001       | 12/01/2041            | 8,798.60          |
|                 | 5,365,000.00 |         |                | 21.001       |                       | 8,798.60          |

|                            | TIC          | All-In TIC   | Arbitrage Yield |
|----------------------------|--------------|--------------|-----------------|
| Par Value                  | 5,365,000.00 | 5,365,000.00 | 5,365,000.00    |
| + Accrued Interest         |              |              |                 |
| + Premium (Discount)       |              |              |                 |
| - Underwriter's Discount   |              |              |                 |
| - Cost of Issuance Expense |              |              |                 |
| - Other Amounts            |              | -214,600.00  |                 |
| Target Value               | 5,365,000.00 | 5,150,400.00 | 5,365,000.00    |
| Target Date                | 12/01/2020   | 12/01/2020   | 12/01/2020      |
| Yield                      | 4.500000%    | 4.818796%    | 4.500000%       |

## BOND DEBT SERVICE

### TWO BRIDGES METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2020 45.00 (target) Mills Non-Rated, 120x @ Cap, 30-yr. Maturity [ Preliminary -- for discussion only ]

| Period<br>Ending | Principal | Coupon | Interest     | Debt Service  | Annual<br>Debt<br>Service |
|------------------|-----------|--------|--------------|---------------|---------------------------|
| 06/01/2021       |           |        | 120,712.50   | 120,712.50    |                           |
| 12/01/2021       |           |        | 120,712.50   | 120,712.50    | 241,425                   |
| 06/01/2022       |           |        | 120,712.50   | 120,712.50    |                           |
| 12/01/2022       | 50,000    | 4.500% | 120,712.50   | 170,712.50    | 291,425                   |
| 06/01/2023       |           |        | 119,587.50   | 119,587.50    |                           |
| 12/01/2023       | 55,000    | 4.500% | 119,587.50   | 174,587.50    | 294,175                   |
| 06/01/2024       |           |        | 118,350.00   | 118,350.00    |                           |
| 12/01/2024       | 65,000    | 4.500% | 118,350.00   | 183,350.00    | 301,700                   |
| 06/01/2025       |           |        | 116,887.50   | 116,887.50    |                           |
| 12/01/2025       | 65,000    | 4.500% | 116,887.50   | 181,887.50    | 298,775                   |
| 06/01/2026       |           |        | 115,425.00   | 115,425.00    |                           |
| 12/01/2026       | 75,000    | 4.500% | 115,425.00   | 190,425.00    | 305,850                   |
| 06/01/2027       |           |        | 113,737.50   | 113,737.50    |                           |
| 12/01/2027       | 80,000    | 4.500% | 113,737.50   | 193,737.50    | 307,475                   |
| 06/01/2028       |           |        | 111,937.50   | 111,937.50    |                           |
| 12/01/2028       | 90,000    | 4.500% | 111,937.50   | 201,937.50    | 313,875                   |
| 06/01/2029       |           |        | 109,912.50   | 109,912.50    |                           |
| 12/01/2029       | 95,000    | 4.500% | 109,912.50   | 204,912.50    | 314,825                   |
| 06/01/2030       |           |        | 107,775.00   | 107,775.00    |                           |
| 12/01/2030       | 105,000   | 4.500% | 107,775.00   | 212,775.00    | 320,550                   |
| 06/01/2031       |           |        | 105,412.50   | 105,412.50    |                           |
| 12/01/2031       | 110,000   | 4.500% | 105,412.50   | 215,412.50    | 320,825                   |
| 06/01/2032       |           |        | 102,937.50   | 102,937.50    |                           |
| 12/01/2032       | 120,000   | 4.500% | 102,937.50   | 222,937.50    | 325,875                   |
| 06/01/2033       |           |        | 100,237.50   | 100,237.50    |                           |
| 12/01/2033       | 125,000   | 4.500% | 100,237.50   | 225,237.50    | 325,475                   |
| 06/01/2034       |           |        | 97,425.00    | 97,425.00     |                           |
| 12/01/2034       | 135,000   | 4.500% | 97,425.00    | 232,425.00    | 329,850                   |
| 06/01/2035       |           |        | 94,387.50    | 94,387.50     |                           |
| 12/01/2035       | 145,000   | 4.500% | 94,387.50    | 239,387.50    | 333,775                   |
| 06/01/2036       |           |        | 91,125.00    | 91,125.00     |                           |
| 12/01/2036       | 155,000   | 4.500% | 91,125.00    | 246,125.00    | 337,250                   |
| 06/01/2037       |           |        | 87,637.50    | 87,637.50     |                           |
| 12/01/2037       | 165,000   | 4.500% | 87,637.50    | 252,637.50    | 340,275                   |
| 06/01/2038       |           |        | 83,925.00    | 83,925.00     |                           |
| 12/01/2038       | 175,000   | 4.500% | 83,925.00    | 258,925.00    | 342,850                   |
| 06/01/2039       |           |        | 79,987.50    | 79,987.50     |                           |
| 12/01/2039       | 185,000   | 4.500% | 79,987.50    | 264,987.50    | 344,975                   |
| 06/01/2040       |           |        | 75,825.00    | 75,825.00     |                           |
| 12/01/2040       | 200,000   | 4.500% | 75,825.00    | 275,825.00    | 351,650                   |
| 06/01/2041       |           |        | 71,325.00    | 71,325.00     |                           |
| 12/01/2041       | 210,000   | 4.500% | 71,325.00    | 281,325.00    | 352,650                   |
| 06/01/2042       |           |        | 66,600.00    | 66,600.00     |                           |
| 12/01/2042       | 225,000   | 4.500% | 66,600.00    | 291,600.00    | 358,200                   |
| 06/01/2043       |           |        | 61,537.50    | 61,537.50     |                           |
| 12/01/2043       | 235,000   | 4.500% | 61,537.50    | 296,537.50    | 358,075                   |
| 06/01/2044       |           |        | 56,250.00    | 56,250.00     |                           |
| 12/01/2044       | 255,000   | 4.500% | 56,250.00    | 311,250.00    | 367,500                   |
| 06/01/2045       |           |        | 50,512.50    | 50,512.50     |                           |
| 12/01/2045       | 265,000   | 4.500% | 50,512.50    | 315,512.50    | 366,025                   |
| 06/01/2046       |           |        | 44,550.00    | 44,550.00     |                           |
| 12/01/2046       | 285,000   | 4.500% | 44,550.00    | 329,550.00    | 374,100                   |
| 06/01/2047       |           |        | 38,137.50    | 38,137.50     |                           |
| 12/01/2047       | 300,000   | 4.500% | 38,137.50    | 338,137.50    | 376,275                   |
| 06/01/2048       |           |        | 31,387.50    | 31,387.50     |                           |
| 12/01/2048       | 320,000   | 4.500% | 31,387.50    | 351,387.50    | 382,775                   |
| 06/01/2049       |           |        | 24,187.50    | 24,187.50     |                           |
| 12/01/2049       | 335,000   | 4.500% | 24,187.50    | 359,187.50    | 383,375                   |
| 06/01/2050       |           |        | 16,650.00    | 16,650.00     |                           |
| 12/01/2050       | 740,000   | 4.500% | 16,650.00    | 756,650.00    | 773,300                   |
|                  | 5,365,000 |        | 5,070,150.00 | 10,435,150.00 | 10,435,150                |

## NET DEBT SERVICE

### TWO BRIDGES METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2020

45.00 (target) Mills

Non-Rated, 120x @ Cap, 30-yr. Maturity  
[ Preliminary -- for discussion only ]

| Period<br>Ending | Principal | Interest  | Total<br>Debt Service | Debt Service<br>Reserve | Net<br>Debt Service |
|------------------|-----------|-----------|-----------------------|-------------------------|---------------------|
| 12/01/2021       |           | 241,425   | 241,425               | -766.76                 | 240,658.24          |
| 12/01/2022       | 50,000    | 241,425   | 291,425               | -766.76                 | 290,658.24          |
| 12/01/2023       | 55,000    | 239,175   | 294,175               | -766.76                 | 293,408.24          |
| 12/01/2024       | 65,000    | 236,700   | 301,700               | -766.76                 | 300,933.24          |
| 12/01/2025       | 65,000    | 233,775   | 298,775               | -766.76                 | 298,008.24          |
| 12/01/2026       | 75,000    | 230,850   | 305,850               | -766.76                 | 305,083.24          |
| 12/01/2027       | 80,000    | 227,475   | 307,475               | -766.76                 | 306,708.24          |
| 12/01/2028       | 90,000    | 223,875   | 313,875               | -766.76                 | 313,108.24          |
| 12/01/2029       | 95,000    | 219,825   | 314,825               | -766.76                 | 314,058.24          |
| 12/01/2030       | 105,000   | 215,550   | 320,550               | -766.76                 | 319,783.24          |
| 12/01/2031       | 110,000   | 210,825   | 320,825               | -766.76                 | 320,058.24          |
| 12/01/2032       | 120,000   | 205,875   | 325,875               | -766.76                 | 325,108.24          |
| 12/01/2033       | 125,000   | 200,475   | 325,475               | -766.76                 | 324,708.24          |
| 12/01/2034       | 135,000   | 194,850   | 329,850               | -766.76                 | 329,083.24          |
| 12/01/2035       | 145,000   | 188,775   | 333,775               | -766.76                 | 333,008.24          |
| 12/01/2036       | 155,000   | 182,250   | 337,250               | -766.76                 | 336,483.24          |
| 12/01/2037       | 165,000   | 175,275   | 340,275               | -766.76                 | 339,508.24          |
| 12/01/2038       | 175,000   | 167,850   | 342,850               | -766.76                 | 342,083.24          |
| 12/01/2039       | 185,000   | 159,975   | 344,975               | -766.76                 | 344,208.24          |
| 12/01/2040       | 200,000   | 151,650   | 351,650               | -766.76                 | 350,883.24          |
| 12/01/2041       | 210,000   | 142,650   | 352,650               | -766.76                 | 351,883.24          |
| 12/01/2042       | 225,000   | 133,200   | 358,200               | -766.76                 | 357,433.24          |
| 12/01/2043       | 235,000   | 123,075   | 358,075               | -766.76                 | 357,308.24          |
| 12/01/2044       | 255,000   | 112,500   | 367,500               | -766.76                 | 366,733.24          |
| 12/01/2045       | 265,000   | 101,025   | 366,025               | -766.76                 | 365,258.24          |
| 12/01/2046       | 285,000   | 89,100    | 374,100               | -766.76                 | 373,333.24          |
| 12/01/2047       | 300,000   | 76,275    | 376,275               | -766.76                 | 375,508.24          |
| 12/01/2048       | 320,000   | 62,775    | 382,775               | -766.76                 | 382,008.24          |
| 12/01/2049       | 335,000   | 48,375    | 383,375               | -766.76                 | 382,608.24          |
| 12/01/2050       | 740,000   | 33,300    | 773,300               | -384,141.76             | 389,158.24          |
|                  | 5,365,000 | 5,070,150 | 10,435,150            | -406,377.80             | 10,028,772.20       |

## BOND SOLUTION

### TWO BRIDGES METROPOLITAN DISTRICT GENERAL OBLIGATION BONDS, SERIES 2020

45.00 (target) Mills

Non-Rated, 120x @ Cap, 30-yr. Maturity  
[ Preliminary -- for discussion only ]

| Period<br>Ending | Proposed<br>Principal | Proposed<br>Debt Service | Debt Service<br>Adjustments | Total Adj<br>Debt Service | Revenue<br>Constraints | Unused<br>Revenues | Debt Serv<br>Coverage |
|------------------|-----------------------|--------------------------|-----------------------------|---------------------------|------------------------|--------------------|-----------------------|
| 12/01/2021       |                       | 241,425                  | -767                        | 240,658                   | 291,500                | 50,842             | 121.12608%            |
| 12/01/2022       | 50,000                | 291,425                  | -767                        | 290,658                   | 352,378                | 61,720             | 121.23454%            |
| 12/01/2023       | 55,000                | 294,175                  | -767                        | 293,408                   | 355,676                | 62,268             | 121.22224%            |
| 12/01/2024       | 65,000                | 301,700                  | -767                        | 300,933                   | 362,790                | 61,856             | 120.55483%            |
| 12/01/2025       | 65,000                | 298,775                  | -767                        | 298,008                   | 362,790                | 64,781             | 121.73810%            |
| 12/01/2026       | 75,000                | 305,850                  | -767                        | 305,083                   | 370,045                | 64,962             | 121.29324%            |
| 12/01/2027       | 80,000                | 307,475                  | -767                        | 306,708                   | 370,045                | 63,337             | 120.65061%            |
| 12/01/2028       | 90,000                | 313,875                  | -767                        | 313,108                   | 377,446                | 64,338             | 120.54817%            |
| 12/01/2029       | 95,000                | 314,825                  | -767                        | 314,058                   | 377,446                | 63,388             | 120.18352%            |
| 12/01/2030       | 105,000               | 320,550                  | -767                        | 319,783                   | 384,995                | 65,212             | 120.39255%            |
| 12/01/2031       | 110,000               | 320,825                  | -767                        | 320,058                   | 384,995                | 64,937             | 120.28910%            |
| 12/01/2032       | 120,000               | 325,875                  | -767                        | 325,108                   | 392,695                | 67,587             | 120.78903%            |
| 12/01/2033       | 125,000               | 325,475                  | -767                        | 324,708                   | 392,695                | 67,987             | 120.93783%            |
| 12/01/2034       | 135,000               | 329,850                  | -767                        | 329,083                   | 400,549                | 71,466             | 121.71662%            |
| 12/01/2035       | 145,000               | 333,775                  | -767                        | 333,008                   | 400,549                | 67,541             | 120.28201%            |
| 12/01/2036       | 155,000               | 337,250                  | -767                        | 336,483                   | 408,560                | 72,077             | 121.42060%            |
| 12/01/2037       | 165,000               | 340,275                  | -767                        | 339,508                   | 408,560                | 69,052             | 120.33875%            |
| 12/01/2038       | 175,000               | 342,850                  | -767                        | 342,083                   | 416,731                | 74,648             | 121.82157%            |
| 12/01/2039       | 185,000               | 344,975                  | -767                        | 344,208                   | 416,731                | 72,523             | 121.06949%            |
| 12/01/2040       | 200,000               | 351,650                  | -767                        | 350,883                   | 425,066                | 74,183             | 121.14167%            |
| 12/01/2041       | 210,000               | 352,650                  | -767                        | 351,883                   | 425,066                | 73,183             | 120.79740%            |
| 12/01/2042       | 225,000               | 358,200                  | -767                        | 357,433                   | 433,567                | 76,134             | 121.30017%            |
| 12/01/2043       | 235,000               | 358,075                  | -767                        | 357,308                   | 433,567                | 76,259             | 121.34260%            |
| 12/01/2044       | 255,000               | 367,500                  | -767                        | 366,733                   | 442,238                | 75,505             | 120.58859%            |
| 12/01/2045       | 265,000               | 366,025                  | -767                        | 365,258                   | 442,238                | 76,980             | 121.07556%            |
| 12/01/2046       | 285,000               | 374,100                  | -767                        | 373,333                   | 451,083                | 77,750             | 120.82589%            |
| 12/01/2047       | 300,000               | 376,275                  | -767                        | 375,508                   | 451,083                | 75,575             | 120.12605%            |
| 12/01/2048       | 320,000               | 382,775                  | -767                        | 382,008                   | 460,105                | 78,097             | 120.44371%            |
| 12/01/2049       | 335,000               | 383,375                  | -767                        | 382,608                   | 460,105                | 77,497             | 120.25483%            |
| 12/01/2050       | 740,000               | 773,300                  | -384,142                    | 389,158                   | 469,307                | 80,149             | 120.59541%            |
|                  | 5,365,000             | 10,435,150               | -406,378                    | 10,028,772                | 12,120,603             | 2,091,831          |                       |

**Exhibit G**  
**Resolution of Approval**

**RESOLUTION NO. R-013-\_\_\_\_\_**

**THE BOARD OF COUNTY COMMISSIONERS  
OF THE COUNTY OF DOUGLAS, COLORADO**

**A RESOLUTION APPROVING THE AMENDED AND RESTATED SERVICE PLAN  
OF TWO BRIDGES METROPOLITAN DISTRICT**

WHEREAS, on [INSERT DATE], a service plan for the proposed TWO BRIDGES METROPOLITAN DISTRICT ("Service Plan") was filed with the Douglas County Clerk and Recorder ("Clerk"), and the Clerk, on behalf of the Board of County Commissioners ("Board"), mailed a Notice of Filing of Special District Service Plan to the Division of Local Government in the Department of Local Affairs on [INSERT DATE]; and

WHEREAS, on [INSERT DATE], the Douglas County Planning Commission recommended approval of the Service Plan to the Board; and

WHEREAS, on [INSERT DATE], the Board set a public hearing on the Service Plan for [INSERT DATE] ("Public Hearing"), and (1) ratified publication of the notice of the date, time, location and purpose of such Public Hearing, which was published in *The Douglas County News-Press* on [INSERT DATE]; and (2) caused notice of the date, time and location of the Public Hearing to be mailed on [INSERT DATE], to the governing body of the existing municipalities and special districts which have levied an *ad valorem* tax within the next preceding tax year and which have boundaries within a radius of three miles of the proposed boundaries of TWO BRIDGES METROPOLITAN DISTRICT ("District") and, on [INSERT DATE], to the petitioners and to the property owners, pursuant to the provisions of § 32-1-204(1.5), C.R.S.; and

WHEREAS, on [INSERT DATE], a Public Hearing on the Service Plan was opened at which time all interested parties, as defined in § 32-1-204, C.R.S., were afforded an opportunity to be heard, and all testimony and evidence relevant to the Service Plan and the organization of the proposed District was heard, received and considered.



NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, STATE OF COLORADO, THAT:

Section 1. The Board does hereby determine that all procedural requirements of §§ 32-1-201, *et seq.*, C.R.S., relating to the Service Plan have been fulfilled and that the Board has jurisdiction in the matter.

Section 2. The Board does hereby find:

(a) that there is sufficient existing and projected need for organized service in the area to be serviced by the proposed District; and

(b) that the existing service in the area to be served by the proposed District is inadequate for present and projected needs; and

(c) that the proposed District is capable of providing economical and sufficient service to the area within the proposed boundaries; and

(d) that the area to be included in the proposed District has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis; and

(e) that adequate service is not, or will not be, available to the area through Douglas County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis; and

(f) that the facility and service standards of the proposed District are compatible with the facility and service standards of Douglas County and each municipality which is an interested party under § 32-1-204, C.R.S.; and

(g) that the proposal is in substantial compliance with the Douglas County Comprehensive Master Plan; and

(h) that the proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area; and

(i) that the creation of the proposed District will be in the best interests of the area proposed to be served; and

(j) that the Service Plan, based upon the statements set forth in the Service Plan and upon all evidence presented at the Public Hearing on the Service Plan, meets all conditions and requirements of §§ 32-1-201, *et seq.*, C.R.S.

Section 3. The Board hereby approves the Service Plan without conditions; provided, however, that such action shall not imply the approval of any land development activity within the proposed District or its service area, or of any specific number of buildable units identified in the Service Plan, unless the Board has approved such development activity as part of a separate development review process.

Section 4. The legal description of the District shall be as provided in **Exhibit A**, attached hereto and incorporated herein by reference.

Section 5. A certified copy of this resolution shall be filed in the records of Douglas County.

PASSED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, in Castle Rock, Douglas County, Colorado.

THE BOARD OF COUNTY COMMISSIONERS  
OF THE COUNTY OF DOUGLAS, COLORADO

BY: \_\_\_\_\_  
\_\_\_\_\_, Chair

ATTEST:

\_\_\_\_\_  
Deputy Clerk

EXHIBIT A  
LEGAL DESCRIPTION OF TWO BRIDGES METROPOLITAN DISTRICT AND FUTURE  
INCLUSION AREA

TWO BRIDGES METROPOLITAN DISTRICT

Parcels 1-60 and Tracts A, J, K, L, M, N, P, and Q, High Prairie International Polo Club RSP, County of Douglas, Colorado, containing an area of 472.02, acres more or less.

FUTURE INCLUSION AREA

Tracts B, C, D, E, F, G, H, and R, High Prairie International Polo Club RSP, County of Douglas, Colorado, containing an area of 576.48 acres, more or less.

**Exhibit H**  
**Compliance with Section 18A, Water Supply – Overlay District**

Water shall be provided to the Project via non-District individual wells. Compliance with Section 18A, Water Supply – Overlay District was determined at the time of the County's land use application.

**Exhibit I**  
**Compliance with Clean Water Plan**

The Project will be served by individual sewage disposal systems. Therefore, compliance with the Clean Water Plan is not applicable for this Project.

**Exhibit J-1**  
**Operation Funding Agreement**

## OPERATION FUNDING AGREEMENT

This **OPERATION FUNDING AGREEMENT** ("**Agreement**") is made and entered into this [ ] day of [ ], 20[ ], with an effective date of the [ ] day of [ ], 20[ ], by and between [ ] **METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "**District**") and [**DEVELOPER NAME**], a [**CORPORATE DESIGNATION**] (the "**Developer**") (individually, each a "**Party**" and collectively the "**Parties**").

### RECITALS

A. Developer is the owner of property within a project located in [JURISDICTION], Colorado, commonly known as [DEVELOPMENT NAME] (the "**Property**").

B. Pursuant to the authority granted to the District by its Service Plan, as approved by [JURISDICTION] on [DATE], as it may be amended from time to time (the "**Service Plan**"), the District intends to construct and/or acquire certain public improvements and provide certain services to benefit properties within its boundaries [and/or service area] (the "**District Services**").

C. The District Services will benefit the Property.

D. In order for the public improvements to be constructed and/or acquired it is necessary for the District to be able to pay its ongoing operations and maintenance expenses which enable it to provide the District Services.

E. The District anticipates that it will not have sufficient revenues to make payment of its operations and maintenance expenses for fiscal year [YEAR].

F. In order to enable the District to provide District Services, Developer is willing to advance funds to the District or to pay consultants directly for operations and maintenance expenses pursuant to the terms of this Agreement.

G. [The District and the Developer have previously entered into the 20\_\_ Operation Funding Agreement dated \_\_\_\_, 20\_\_ (the "20\_\_ OFA") and the 20\_\_ Operation Funding Agreement dated \_\_\_\_, 20\_\_ (the "20\_\_ OFA").]

H. In connection therewith, the Parties desire to prioritize their payment of outstanding funds advanced under the YEAR OFA, YEAR OFA, and the funds to be advanced under this Agreement.

I. The District's Service Plan authorizes the repayment of amounts advanced for operations and maintenance expenses, together with interest thereon, by the District.

J. The District and the Developer desire to set forth the rights, obligations and procedures for the Developer to advance funds and for the District to reimburse the Developer for the advances made hereunder.



NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Parties contained herein, the Parties agree as follows:

### COVENANTS AND AGREEMENTS

1. Acknowledgement of Anticipated Shortfalls. The District anticipates a shortfall in revenues available for operations and maintenance expenses to be incurred for fiscal year [YEAR] in an aggregate amount of [ ] Dollars (\$[ ]) (the “**Shortfall Amount**”).

2. Payment of Shortfall. The Developer shall advance funds necessary to fund, or shall directly pay, the District’s operations and maintenance expenses on a periodic basis as needed for the fiscal year [YEAR] up to the Shortfall Amount. The District shall, from time to time, provide written notice to the Developer that an advance of all or part of the Shortfall Amount is required. The Developer shall make an advance of funds to the District within fifteen (15) days of receipt from the District of any such written notice that an advance of funds is required (“**Developer Advance**”).

3. Request for Additional Developer Advance. If the District requires additional advances above the Shortfall Amount from the Developer in order to meet its operation and maintenance expenses, the District shall request such additional funds in writing. Such request shall be accompanied by written explanation regarding the reasons additional funds are required. The Developer shall provide such additional funds within fifteen (15) days of receipt of notice requesting such funds. The amount of the additional funds shall be added to and included in the Shortfall Amount.

4. Accounting. The Developer shall provide the District with written documentation relative to any expenses paid directly to consultants. The District shall keep an accounting of each advance made by the Developer, including the accrued and unpaid interest on such advances, and shall provide unaudited financial statements reflecting this accounting to the Developer on a [monthly/quarterly/annual] basis.

5. Repayment. The District hereby agrees that it is its intention to repay the amounts the Developer has advanced or directly paid pursuant to this Agreement, to the extent it has funds available from the imposition of its taxes, fees, rates, tolls, penalties and charges, and from any other revenue legally available, after the payment of its annual debt service obligations and annual operations and maintenance expenses, which repayment is subject to annual budget and appropriation. Simple interest shall accrue on each Developer Advance from the date of deposit into the District’s account or from the date of direct payment by Developer, until paid, at the rate of [ ] percent ([ ]%) per annum. It is hereby agreed and acknowledged that this Agreement evidences an intent to reimburse the Developer hereunder, but that this Agreement shall not constitute a debt or indebtedness of the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple fiscal year financial obligation, and the making of any reimbursement hereunder shall be at all times subject to annual appropriation by the District in its absolute discretion. By acceptance of this Agreement, Developer agrees and consents to all of the limitations in respect of the payment of the principal and interest due hereunder and in the District’s Service Plan.

6. Priority of Payments. Subject to the provisions of Section 5 above, payments to reimburse the Developer shall be made on December 2 of each year and shall be applied as follows: [(a) first to the [YEAR] OFA accrued and unpaid interest and then to the [YEAR] OFA principal amount due; and then (b)] first to the accrued and unpaid interest and then to the principal amount due pursuant to this Agreement.

7. Representations. Developer hereby represents and warrants to and for the benefit of the District as follows:

(a) The Developer is a Colorado [CORPORATE DESIGNATION] in good standing under the law of the State of Colorado [OR SPECIFY OTHER JURISDICTION].

(b) Developer has the full power and legal authority to enter into this Agreement. Neither the execution and delivery of this Agreement nor the compliance by the Developer with any of its terms, covenants or conditions is or shall become a default under any other agreement or contract to which Developer is a party or by which Developer is or may be bound. Developer has taken or performed all requisite acts or actions which may be required by its organizational or operational documents to confirm its authority to execute, deliver and perform each of its obligations under this Agreement.

(c) Developer represents that it has sufficient available funds to fulfill its obligations under this Agreement.

The foregoing representations and warranties are made as of the date hereof and shall be deemed continually made by Developer to District for the entire term of this Agreement.

8. Term/Repose. The term of this Agreement shall commence on the date hereof and shall expire on December 31, 20[\_\_\_\_], unless terminated earlier by the mutual agreement of the Parties. Any obligation of Developer to advance funds will expire on March 15, 20[\_\_\_\_]. Any obligation of District to reimburse Developer shall expire on December 31, 20[\_\_\_\_]. In the event the District has not reimbursed the Developer for any Developer Advance(s) made pursuant to this Agreement on or before December 31, 20[\_\_\_\_], any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

9. Termination of Reimbursement Obligations. Notwithstanding any provision herein to the contrary, the District's obligations to reimburse the Developer for any and all funds advanced or otherwise payable to the Developer under and pursuant to this Agreement (whether the Developer has already advanced or otherwise paid such funds or intends to make such advances or payments in the future) shall terminate automatically and be of no further force or effect upon the occurrence of (a) the Developer's voluntary dissolution, liquidation, winding up, or cessation to carry on business activities as a going concern; (b) administrative dissolution (or other legal process not initiated by the Developer dissolving the Developer as a legal entity) that is not remedied or cured within sixty (60) days of the effective date of such dissolution or other process; or (c) the initiation of bankruptcy, receivership or similar process or actions with regard to the Developer (whether voluntary or involuntary). The termination of the District's reimbursement obligations as set forth in this section shall be absolute and binding upon the

Developer, its successors and assigns. The Developer, by its execution of this Agreement, waives and releases any and all claims and rights, whether existing now or in the future, against the District relating to or arising out of the District's reimbursement obligations under this Agreement in the event that any of the occurrences described in this section occur.

10. Notices. All notices, demands, requests or other communications to be sent by one Party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via Federal Express or other nationally recognized overnight air courier service, by electronically-confirmed email transmission, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To District: [ ] Metropolitan District  
c/o [ ]  
Attention: [ ]  
Phone: [ ]  
Email: [ ]

With a copy to: McGeady Becher P.C.  
450 E. 17<sup>th</sup> Avenue, Suite 400  
Denver, CO 80203-1254  
Attention: [ ]  
Phone: 303-592-4380  
Email: [ ]

To Developer: [ ]  
[ ]  
[ ]  
Attention: [ ]  
Phone: [ ]  
Email: [ ]

With a copy to: [ ]  
[ ]  
[ ]  
Attention: [ ]  
Phone: [ ]  
Email: [ ]

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with Federal Express or other nationally recognized overnight air courier service, on the date of transmission if sent by electronically-confirmed email transmission, or three (3) business days after deposit in the United States mail. By giving the other Party hereto at least ten (10) days' written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

11. Assignment. The Developer shall not assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

12. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the Developer any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the Developer shall be for the sole and exclusive benefit of the District and the Developer.

13. Default/Remedies. In the event of a breach or default of this Agreement by either Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity. In the event of any litigation, arbitration or other proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such litigation, arbitration or other proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

14. Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the State District Court in and for the County of [JURISDICTION], Colorado.

15. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective permitted successors and assigns.

16. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

17. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

18. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

19. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

20. Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the District or the Developer unless the same is in writing and duly executed by the Parties hereto.

**[SIGNATURE PAGE TO OPERATION FUNDING AGREEMENT]**

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

**[ ] METROPOLITAN  
DISTRICT**, a quasi-municipal corporation and  
political subdivision of the State of Colorado

By: \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

**[ ]**  
By: \_\_\_\_\_  
Title: \_\_\_\_\_

**Exhibit J-2**  
**Facilities Funding and Acquisition Agreement**

## FACILITIES FUNDING AND ACQUISITION AGREEMENT

This **FACILITIES FUNDING AND ACQUISITION AGREEMENT** (“**Agreement**”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, with an effective date of \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_ **METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”) and [**DEVELOPER NAME**], a [Corporate Designation] (the “**Developer**”) (collectively, the “**Parties**”).

### RECITALS

- A. Developer is the developer of a project located in the [JURISDICTION], Colorado, commonly known as the [NAME OF DEVELOPMENT] (the “**Property**”).
- B. The Property is within the boundaries [and/or service area] of the District.
- C. The District was organized on [ORGANIZATION/ORDER & DECREE RECORDING DATE] (“**Organization Date**”).
- D. Pursuant to the authority granted to the District by its Service Plan, as approved by [JURISDICTION] on [DATE], as it may be amended from time to time (the “**Service Plan**”), the District intends to acquire certain public improvements to benefit properties within its boundaries [and/or service area].
- E. The District has agreed to provide, construct and/or acquire certain public improvements, including [water, sanitation (including storm and sanitary sewer), street, safety protection, park and recreation, transportation, and mosquito control] and other facilities and services as generally described in the Service Plan (together with any other public improvements to be acquired by the District, the “**Improvements**”).
- F. In order for the Property to be developed, the Improvements need to be constructed and/or acquired.
- G. The District does not currently have sufficient monies available to fund the cost of construction of the Improvements or to acquire the Improvements.
- H. Funds related to the design, testing, engineering, and construction of the Improvements, together with the related consultant and management fees associated with the construction of the Improvements, have been and/or will be expended by the Parties (“**Construction Related Expenses**”).
- I. It is anticipated that the District will issue bonds, the proceeds of which may be utilized in part to reimburse the Developer for [Organization Expenses], Construction Related Expenses, [and/or] acquisition of Improvements.
- J. In order to encourage development within the District, the District and the Developer have determined that until bonds are issued it is in the best interests of the District for



the Developer to advance funds to the District for the Construction Related Expenses [and/or] for the District's acquisition of the Improvements upon completion, and the Developer is willing to so proceed.

K. The District desires to reimburse the Developer for the Construction Related Expenses and to acquire such Improvements completed by the Developer.

L. [WHEREAS, the Developer has incurred expenses for the organization of the District (the "Organization Expenses"); and]

M. [WHEREAS, the District desires to reimburse the Developer for the Organization Expenses; and].

N. The District and the Developer desire to set forth the rights, obligations, and procedures for the acquisition of the Improvements and for the District to reimburse the Developer as provided herein.

NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Parties contained herein, the Parties agree as follows:

## **COVENANTS AND AGREEMENTS**

### **ARTICLE I FUNDING OF ORGANIZATION EXPENSES**

1.1 Acknowledgement of and Reimbursement for Organization Expenses. District acknowledges that Developer has expended funds for the Organization Expenses. Developer shall provide written documentation relative to the Organization Expenses to the District's accountant, such documentation to be satisfactory to the District. Upon the District's accountant's verification of the documentation in determining the amount of the Organization Expenses, such amount shall be reimbursable to the Developer. Subject to the receipt of funding pursuant to Article IV herein, the Developer shall be reimbursed for those Organization Expenses that have been verified and approved by the District's accountant, as well as amounts advanced to the District by the Developer to pay for the costs incurred by the District for such review, verification and approval, together with interest thereon which shall accrue from the Organization Date at the rate of [ ] percent ([ ]%) per annum.

### **ARTICLE II FUNDING OF IMPROVEMENTS TO BE CONSTRUCTED BY THE DISTRICT**

2.1 Improvements Constructed by the District. The Parties acknowledge that the District will design, construct, and complete certain Improvements and incur Construction Related Expenses in accordance with the provisions of this Article II.

2.2 Acknowledgement of Anticipated Shortfall. Developer acknowledges that in connection with the construction of the Improvements, the District will incur Construction Related Expenses in reliance upon the Developer's commitments herein to provide funding. The



total estimated cost to complete construction of the Improvements, including contingencies, is [ ] Dollars (\$[ ]) (the “**Shortfall Amount**”).

2.3 Payment of Shortfall. The Developer shall advance funds necessary to fund the Construction Related Expenses incurred by the District on a periodic basis as needed for the fiscal years 20[ ] through 20[ ] of the District, up to the Shortfall Amount. The District shall, from time to time, provide written notice to the Developer that an advance of all or part of the Shortfall Amount is required. The Developer shall make an advance of funds to the District within fifteen (15) days of receipt from the District of any such written notice that an advance of funds is required (“**Developer Advance**”).

2.4 Request for Additional Developer Advance. If the District requires additional advances above the Shortfall Amount from the Developer for the Construction Related Expenses, the District shall request such additional funds in writing. Such request shall be accompanied by written explanation regarding the reasons additional funds are required. The Developer shall provide such additional funds within fifteen (15) days of receipt of notice requesting such funds. The amount of the additional funds shall be added to and included within the Shortfall Amount.

2.5 Accounting. The District shall keep an accounting of each Developer Advance, including the accrued and unpaid interest thereon, and shall provide unaudited financial statements reflecting this accounting to the Developer on a [monthly/quarterly/annual] basis.

#### ALTERNATIVE [ARTICLE II PROVISIONS]

[ATTORNEY TO DETERMINE WHICH PROVISIONS ARE APPROPRIATE]

2.1 Improvements Constructed by the District. The Parties anticipate that the Developer may design, construct and complete certain Improvements and incur Construction Related Expenses, in which case the District will acquire such Improvements in accordance with the provisions of Article III. In the event that the District proceeds with the design, construction and completion of any Improvements, the District shall request funding from the Developer in writing. Such request shall be accompanied by written explanation regarding the reasons funds are required. The Developer shall review such requests and, upon approval, shall advance the funds.

2.2 Accounting. The District shall keep an accounting of each Developer Advance, including the accrued and unpaid interest thereon, and shall provide unaudited financial statements reflecting this accounting to the Developer on a [monthly/quarterly/annual] basis.]

### ARTICLE III

#### CONSTRUCTION OF IMPROVEMENTS TO BE ACQUIRED BY THE DISTRICT

3.1 Improvements Acquired by District. The Parties acknowledge that the Developer has or will design, construct, and complete certain Improvements in accordance with the provisions of this Article III for District acquisition upon completion. Developer agrees that the Improvements it has constructed or the Improvements it undertakes to construct shall be constructed in full conformance with the design standards and specifications as established and

in use by the District or other appropriate jurisdiction and in accordance with the provisions of this Agreement and the District's Service Plan.

3.2 Construction Contract Requirements. The Developer agrees that any construction contract for all or any portion of the Improvements shall require the contractor to provide a warranty from the date of initial acceptance of the completed Improvements and a security mechanism to secure the warranty approved by the District or as required by the applicable government entity to which the Improvements shall be dedicated.

3.3 Verification of Costs. The Developer agrees that prior to requesting that the District acquire any Improvements pursuant to this Agreement, the Developer shall obtain a certification of an independent engineer that the Construction Related Expenses are reasonable and comparable for similar projects as constructed in the [Denver Metropolitan Area/Local Community], and verification from the District's accountant that the Construction Related Expenses are reimbursable ("**Verified Costs**") based on the copies of the invoices, bills, and requests for payment provided to the District pursuant to Section 3.5 herein. The Developer shall provide the District with written evidence of the date that payment was made by the Developer for all Verified Costs. The Developer shall advance to the District funds necessary to pay the costs incurred by the District for such review and cost verification, including legal, accounting, management and engineering expenses.

3.4 Periodic Reports. If the District so requests, Developer will provide periodic reports on the status of completion of the Improvements and/or accounting of Construction Related Expenses.

3.5 Acquisition of the Improvements. The District shall acquire the Improvements after preliminary acceptance from the appropriate accepting jurisdiction and prior to final acceptance upon receipt, review and approval by the District's accountant and engineer, as applicable, of the following:

- (a) As-built drawings for the Improvements to be conveyed by the Developer;
- (b) Lien waivers and indemnifications from each contractor verifying that all amounts due to contractors, subcontractors, material providers, or suppliers have been paid in full, in a form acceptable to the District;
- (c) An assignment from the Developer to the District of any warranties associated with the Improvements, in a form acceptable to the District;
- (d) Copies of all contracts, pay requests, change orders, invoices, the final AIA payment form (or similar form approved by the District), canceled checks, and any other requested documentation to verify the amount requested;
- (e) An executed Bill of Sale conveying the Improvements to the District, substantially in a form of **Exhibit A** attached hereto; and
- (f) Such other documentation, records and verifications as may reasonably be required by the District.

## **ARTICLE IV REIMBURSEMENT OF DEVELOPER**

4.1 Reimbursement of Developer. Subject to the receipt of funding pursuant to Section 4.3 herein and all other applicable provisions hereof, the District agrees to make payment to the Developer for all Developer Advances and/or Verified Costs, together with interest thereon. [Developer and District acknowledge the existence of limitations on the District's ability to make such payments as a result of] [INSERT SERVICE PLAN LIMITATION OR OTHER LIMITATION SOURCE]. The Developer acknowledges the District may elect to be inactive in any one or more of the years this Agreement is in effect, and the Developer and the District agree that, during the period of inactivity: the District shall have no financial obligations outstanding or contracts in effect that require performance by the District; the District shall not impose a mill levy for tax collection; the District shall not anticipate any receipt of revenue and shall have no planned expenditures, except for statutory compliance, in said fiscal year(s); the District shall have no operation or maintenance responsibility for any facilities; and the District shall file an initial notice of inactive status pursuant to Section 32-1-104, C.R.S., and each year thereafter that the District continues to be inactive, the District shall file a notice of inactive status pursuant to Section 32-1-104(4), C.R.S. By acceptance of this Agreement, Developer agrees that during any period of District inactivity, the District shall have no obligations, including no obligations to make reimbursements, under this Agreement and shall not be required to take any other actions hereunder.

4.2 Interest and Payment Priority. Simple interest shall accrue on Organization Expenses and Construction Related Expenses at the rate of [\_\_\_\_\_] percent ([\_\_\_\_\_]%) per annum until paid. [For Organization Expenses, simple interest shall accrue from the Organization Date.] For Construction Related Expenses, simple interest shall accrue as follows:

- (g) On each Developer Advance, from the date of deposit into the District's account.
- (h) On Verified Costs for amounts expended by the Developer for Construction Related Expenses incurred prior to the Organization Date, from the Organization Date.
- (i) On Verified Costs for amounts expended by the Developer for Improvements constructed after the Organization Date, from the date Verified Costs were incurred by the Developer.

The Parties agree that payments by the District to the Developer shall credit first against accrued and unpaid interest and then to the principal amount due. [CONSIDER PRIORITY OF REIMBURSEMENT BETWEEN DEVELOPER ADVANCES AND VERIFIED COSTS.]

4.3 Funding Requirement. The Parties agree that no payment shall be required of the District hereunder unless and until the District issues bonds in an amount sufficient to reimburse the Developer for all or a portion of the [Organization Expenses], Developer Advances and/or Verified Costs. The District agrees to exercise reasonable efforts to issue bonds to reimburse the Developer subject to the limitations herein. In addition, the District agrees to utilize any

available moneys not otherwise pledged to payment of bonds, used for operation and maintenance expenses, or otherwise encumbered, to reimburse the Developer. It is hereby agreed and acknowledged that this Agreement evidences an intent to reimburse the Developer hereunder, but that this Agreement shall not constitute a debt or indebtedness of the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple fiscal year financial obligation, and the making of any reimbursement hereunder shall be at all times subject to annual appropriation by the District. By acceptance of this Agreement, Developer agrees and consents to all of the limitations in respect of the payment of the principal and interest due hereunder and in the District's Service Plan.

## **ARTICLE V GENERAL PROVISIONS**

5.1 Representations. Developer hereby represents and warrants to and for the benefit of the District as follows:

(a) The Developer is a [CORPORATE DESIGNATION] in good standing under the law of the State of Colorado [OR SPECIFY OTHER JURISDICTION].

(b) Developer has the full power and legal authority to enter into this Agreement. Neither the execution and delivery of this Agreement nor the compliance by the Developer with any of its terms, covenants or conditions is or shall become a default under any other agreement or contract to which Developer is a party or by which Developer is or may be bound. Developer has taken or performed all requisite acts or actions which may be required by its organizational or operational documents to confirm its authority to execute, deliver and perform each of its obligations under this Agreement.

(c) Developer represents that it has sufficient available funds to fulfill its obligations under this Agreement.

(d) The foregoing representations and warranties are made as of the date hereof and shall be deemed continually made by Developer to District for the entire term of this Agreement.

5.2 Term; Repose. Notwithstanding anything set forth in this Agreement to the contrary, the District shall not be obligated to make any payments to the Developer for [Organization Expenses], Construction Related Expenses and/or Verified Costs incurred by the Developer, but not invoiced (as evidenced by the delivery of the documents described in Article 3 above) to the District within [\_\_\_\_\_] of the date incurred. In the event the District has not paid or reimbursed the Developer for any [Organization Expenses,] Construction Related Expenses and/or Verified Costs by December 31, 20[\_\_\_\_], whether invoiced or not invoiced by such date, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

5.3 Termination of Reimbursement Obligations. Notwithstanding any provision herein to the contrary, the District's obligations to reimburse the Developer for any and all funds advanced or otherwise payable to the Developer under and pursuant to this Agreement (whether the Developer has already advanced or otherwise paid such funds or intends to make such

advances or payments in the future) shall terminate automatically and be of no further force or effect upon the occurrence of (a) the Developer's voluntary dissolution, liquidation, winding up, or cessation to carry on business activities as a going concern; (b) administrative dissolution (or other legal process not initiated by the Developer dissolving the Developer as a legal entity) that is not remedied or cured within sixty (60) days of the effective date of such dissolution or other process; or (c) the initiation of bankruptcy, receivership or similar process or actions with regard to the Developer (whether voluntary or involuntary). The termination of the District's reimbursement obligations as set forth in this section shall be absolute and binding upon the Developer, its successors and assigns. The Developer, by its execution of this Agreement, waives and releases any and all claims and rights, whether existing now or in the future, against the District relating to or arising out of the District's reimbursement obligations under this Agreement in the event that any of the occurrences described in this section occur.

5.4 Certification of Compliance with Illegal Alien Statute. By its execution hereof, the Developer confirms and ratifies all of the certifications, statements, representations and warranties set forth in **Exhibit B** attached hereto and made a part hereof by this reference.

5.5 Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via Federal Express or other nationally recognized overnight air courier service, by electronically-confirmed email transmission, or by depositing same in the United States mail, postage prepaid, addressed as follows:



To District: [ ] Metropolitan District  
c/o [ ]  
Attention: [ ]  
Phone: [ ]  
Email: [ ]

With a copy to: McGeady Becher P.C.  
450 E. 17<sup>th</sup> Avenue, Suite 400  
Denver, CO 80203-1254  
Attention: [ ]  
Phone: 303-592-4380  
Email: [ ]

To Developer: [ ]  
[ ]  
[ ]  
Attention: [ ]  
Phone: [ ]  
Email: [ ]

With a copy to: [ ]  
[ ]  
[ ]  
Attention: [ ]  
Phone: [ ]  
Email: [ ]

All notices, demands, requests or other communications shall be effective upon such personal delivery, one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service, on the date of transmission if sent by electronically-confirmed facsimile or email transmission, or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address or contact information.

5.6 Assignment. The Developer shall not assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

5.7 Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the Developer any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the Developer shall be for the sole and exclusive benefit of the District and the Developer.

5.8 Default/Remedies. In the event of a breach or default of this Agreement by either Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity. In the event of any litigation, arbitration or other proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

5.9 Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the District Court in and for the County of [\_\_\_\_], Colorado.

5.10 Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective permitted successors and assigns.

5.11 Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

5.12 Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

5.13 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

5.14 Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

5.15 Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the District or the Developer unless the same is in writing and duly executed by the Parties hereto.

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, the Parties have executed this Facilities Funding and Acquisition Agreement as of the day and year first set forth above.

[ ] **METROPOLITAN DISTRICT**, a  
quasi-municipal corporation and political  
subdivision of the State of Colorado

By: \_\_\_\_\_  
[ ], President

Attest:

\_\_\_\_\_  
[ ], Secretary

[ ], a [ ]

By: \_\_\_\_\_

Name: \_\_\_\_\_

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



## EXHIBIT A

### Bill of Sale

KNOW ALL BY THESE PRESENTS that [\_\_\_\_], a [\_\_\_\_]  
 (“**Grantor**”), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, has bargained and sold, and by these presents does grant and convey unto [\_\_\_\_], a [\_\_\_\_], whose address is [\_\_\_\_] (“**District**”), its successors and assigns, all of Grantor’s right, title and interest in and to the facilities, personal property and the improvements shown on **Exhibit I** attached hereto and incorporated herein by this reference (“**Improvements**”).

TO HAVE AND TO HOLD the same unto the District, its successors and assigns forever; and Grantor, its successors and assigns, shall warrant and defend the sale of said Improvements made unto the District, its successors and assigns, against all and every person or persons whomsoever, and warrants that (i) the conveyance of the Improvements to the District, its successors and assigns, is made free from any claim or demand whatsoever; and (ii) the Improvements were constructed and installed in accordance with plans and specifications reviewed and approved by the District and all applicable Rules and Regulations of the District.

IN WITNESS WHEREOF, Grantor executes this Bill of Sale this [\_\_\_\_] day of [\_\_\_\_], 20[\_\_\_\_].

**[SIGNATURE PAGE FOLLOWS]**

**[SIGNATURE PAGE TO BILL OF SALE]**

GRANTOR:

[\_\_\_\_\_] , a [\_\_\_\_\_]

By: \_\_\_\_\_

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

STATE OF COLORADO                    )  
                                                  )   ss.  
COUNTY OF [\_\_\_\_\_]                    )

The foregoing instrument was acknowledged before me this [\_\_\_\_\_] day of  
[\_\_\_\_\_] , 20[\_\_\_\_\_] , by [\_\_\_\_\_] , as [\_\_\_\_\_] of [\_\_\_\_\_] [and by  
[\_\_\_\_\_] as [\_\_\_\_\_] of [\_\_\_\_\_] ].

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

## EXHIBIT B

### Certification of Developer

1. Pursuant to the requirements of Section 8-17.5-102(1), C.R.S., the Developer hereby certifies to the District that the Developer does not knowingly employ or contract with an illegal alien who will perform work under the Agreement and that it will participate in the E-Verify Program or Department Program (as defined in Sections 8-17.5-101(3.3) and (3.7), C.R.S.) in order to confirm the employment eligibility of all employees of the Developer who are newly hired to perform work under the Agreement.

2. In accordance with Section 8-17.5-102(2)(a), C.R.S., the Developer shall not:

(a) Knowingly employ or contract with an illegal alien to perform work under the Agreement; or

(b) Enter into a contract with a subcontractor that fails to certify to the Developer that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.

3. The Developer represents and warrants it has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement through participation in either the E-Verify Program or the Department Program.

4. The Developer is prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while the Agreement is in effect.

5. If the Developer obtains actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, the Developer shall:

(a) Notify the subcontractor and the District within three (3) days that the Developer has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(b) Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that the Developer shall not terminate the contract with the subcontractor if during such three (3) days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

6. The Developer shall comply with any reasonable request by the Colorado Department of Labor and Employment (“**Department**”) made in the course of an investigation that the Department is undertaking, pursuant to the law.

7. If the Developer violates any provision of Section 8-17.5-102(1), C.R.S., the District may terminate the Agreement immediately and the Developer shall be liable to the District for actual and consequential damages of the District resulting from such termination, and

the District shall report such violation by the Developer to the Colorado Secretary of State, as required by law.

**Exhibit K**  
**Intergovernmental Agreements**

No Intergovernmental Agreements

**Exhibit L**  
**Annual Report Requirements**

The District shall be responsible for submitting an annual report to the County no later than July 31 of each year. The annual report shall conform to the following format:

Name of District  
Year ANNUAL REPORT

(For Activities Completed in Year, and With Information About Prospective Years)

I. District Description - General Information

- a. Board members, officers' titles, and terms
- b. Changes in board membership in past year
- c. Name and address for official District contact
- d. Elections held in the past year and their purpose

II. Boundary changes for the report year and proposed changes for the coming year

III. List of intergovernmental agreements (existing or proposed) and a brief description of each detailing the financial and service arrangements

- a. Contracts for operations, debt, and other contractual obligations with sub- districts or operating and taxing districts
- b. Reimbursement agreements with developers and/or builders for advances to fund capital costs and administrative/operational and maintenance costs of the District

IV. Service Plan

- a. List and description of services authorized in Service Plan
- b. List and description of facilities authorized in Service Plan
- c. List and description of any extraterritorial services, facilities, and agreements

V. Development Progress

- a. Indicate the estimated year of build-out, as set forth in the Service Plan
- b. List the services provided with the date service began compared to the date authorized by the Service Plan
- c. List changes made to the Service Plan, including when the change was authorized, when it was implemented or is expected to be implemented

d. List facilities to be acquired or constructed or leased back as set forth in the Service Plan and compare the date of completion or operation with the date authorized by the Service Plan

e. List facilities not completed. Indicate the reason for incompleteness and provide a revised schedule, if any

f. List facilities currently under construction with the percentage complete and an anticipated date of completion

g. Indicate the population of the District for the previous five (5) years and provide population projections for the next five (5) years

h. List the planned number of housing units by type and the number of commercial and industrial properties with respective square footage and anticipated dates of completion/operation. Compare the completed units and completed commercial and industrial properties to the amount planned in the Service Plan.

i. List any enterprises created by and/or operated by or on behalf of the District, and summarize the purpose of each

#### VI. Financial Plan and Financial Activities

a. Provide a copy of the audit or exemption from the audit for the reporting year.

b. Provide a copy of the budget, showing the reporting and previous years.

c. Show revenues and expenditures of the District for the previous five (5) years and provide projections for the next five (5) years. Include any non-District or non-governmental financial support. Include and list individually all fees, rates, tolls, etc., with a summary of the purpose of each. Show other miscellaneous tax revenue, such as specific ownership taxes. For the same period, show actual and projected mill levies by purpose (showing mill levies for each individual general obligation, revenue-based obligation, or contractual obligation).

d. List all debt that has been issued, including all individual issuances with a schedule of service until the debt is retired

e. List individually all authorized but unissued debt, including the purpose, ballot issue letter designation and election date, and amounts authorized and unissued

f. List the total amount of debt issued and outstanding as of the date of the annual report and compare to the maximum authorized debt level as set forth in the Service Plan

g. Enterprises of the District

i. Include revenues of the enterprise, showing both direct support from the District and all other sources



ii. Include expenses of the enterprise, showing both direct payments to the District and all other obligations

h. Detail contractual obligations

i. Describe the type of obligation, current year dollar amount, and any changes in the payment schedule, e.g. balloon payments.

ii. Report any inability of the District to pay current obligations that are due within the current budget year

iii. Describe any District financial obligations in default

i. Actual and Assessed Valuation History

i. Report the annual actual and assessed valuation for the current year and for each of seven (7) years prior to current year

ii. For each year, compare the certified assessed value with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the certified value.

j. Mill Levy History

i. Report the annual mill levy for the current year and for each of the seven (7) years prior to current year. Break the mill levies out by purpose (e.g., debt issuance and operations and maintenance)

ii. For each year, compare the actual mill levy with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the actual mill levies.

k. Miscellaneous Taxes History

i. Report the annual miscellaneous tax revenue for the current year and for each of the seven (7) years prior to the current year. Break the tax revenue out by purpose (e.g., general operations, revenue-based obligations, debt by issue, contractual obligations, other)

ii. For each year, compare the actual miscellaneous tax revenue with the Service Plan estimate for that year (if provided in Plan). If the Service Plan estimates are not available, indicate the same and report the actual taxes.

l. Estimated Assessed Valuation of District at 100% Build-Out

i. Provide an updated estimate and compare this with the Service Plan estimate.

m. Estimated Amount of Additional General Obligation Debt to be Issued by the District between the End of Current Year and 100% Build-Out.

i. Provide an updated estimate based on current events. Do not include refunding bonds.

**Exhibit M**  
**District Court Decree**



**GRANTED**

The moving party is hereby ORDERED to provide a copy of this Order to any parties who have entered an appearance in this action within 10 days from the date of this order.

*Nancy A. Hopf*

Nancy A. Hopf  
District Court Judge  
Date of order indicated on attachment

DISTRICT COURT, COUNTY OF DOUGLAS, COLORADO

Court Address: Douglas County Justice Center  
4000 Justice Way, Suite 2009  
Castle Rock, Colorado 80109

Telephone No.: (303) 663-7200

**PETITIONER:**

**HIGH PRAIRIE POLO CLUB METROPOLITAN  
DISTRICTS NOS. 1 & 2**

**By the Court:**

FILED Document  
DATE FILED: December 10, 2009 11:59 AM  
CO Douglas County District Court 18th Fl  
Filing Date: 12/10/09 11:59 AM  
CASE NUMBER: 09 CV 2992  
Filing ID: 28441665  
Review Clerk: N/A

▲ COURT USE ONLY ▲

Case No: 09 CV 2992

Div: 6

**ORDER AND DECREE ORGANIZING  
HIGH PRAIRIE POLO CLUB METROPOLITAN DISTRICTS NOS. 1 & 2,  
ISSUANCE OF CERTIFICATES OF ELECTION AND RELEASING BOND**

This matter comes before the Court on the Motion for Order and Decree Organizing High Prairie Polo Club Metropolitan Districts Nos. 1 & 2, Issuance of Certificates of Election and Releasing Bond (the "Motion") filed by the Petitioner for the organization of High Prairie Polo Club Metropolitan Districts Nos. 1 & 2 on November 23, 2009. This Court, being fully advised on the premises, hereby FINDS AND ORDERS with respect to the organization of High Prairie Polo Club Metropolitan Districts Nos. 1 & 2 (the "Districts"), as follows:

1. That, the question of the organization of the Districts, the election of Directors thereof, along with various debt and revenue-raising ballot issues and ballot questions were duly submitted to the eligible electors at an election held on November 3, 2009 (the "Election") at the time and place specified in the Order Calling Election entered by this Court on October 23, 2009.

2. That, a majority of the votes cast at the Election were in favor of organizing the Districts and in favor of all ballot issues and ballot questions submitted.

3. That, the Board of Canvassers' Abstract of Returns and the Board of Canvassers' Certificate of Election Results filed with this Court as Exhibit A to the Motion duly certifies the Election returns to this Court as required by law and hereby is, in all respects, approved and confirmed.

4. That, the Districts shall be and are hereby duly and regularly organized in accordance with the requirements of § 32-1-101, *et seq.*, C.R.S.

5. That, the Districts shall be known as "High Prairie Polo Club Metropolitan Districts Nos. 1 & 2".

6. That, the Districts are located in Douglas County, Colorado, as more particularly described in Exhibit A, attached hereto and incorporated herein by this reference.

7. That, the Districts shall be a quasi-municipal corporation and political subdivision of the State of Colorado with all the powers thereof.

8. A certified copy of this Order and a copy of the approved Service Plan for High Prairie Polo Club Metropolitan Districts Nos. 1 & 2 and the resolution of the Board of County Commissioners of Douglas County, Colorado approving the Service Plan shall be filed with the Douglas County Clerk and Recorder and the Colorado Division of Local Government, Department of Local Affairs.

9. A copy of the Service Plan for High Prairie Polo Club Metropolitan Districts Nos. 1 & 2 and the resolution of the Board of County Commissioners of Douglas County, Colorado approving the Service Plan were filed with this Court as part of the Petition filed on September 22, 2009. Pursuant to § 32-1-205(2), C.R.S., the Service Plan and approving resolution are incorporated herein by this reference and the Districts shall cause the Service Plan and approving resolution to be appended to this Order at such time as all other legal procedures for the Districts organization have been complied with.

10. That, the following qualified persons were duly elected as members of the Districts' first Boards of Directors for the indicated terms, and as further shown on the Certificates of Election, issued by this Court in accordance with § 32-1-305.5(5), C.R.S., which Certificates are attached hereto:

| <u>NAME</u>      | <u>TERM</u>  |
|------------------|--------------|
| Robert A. Gray   | to May, 2010 |
| Heather L. Gray  | to May, 2012 |
| Gregory A. Skomp | to May, 2012 |

11. That, the Bond of Petitioners in the amount of \$500 filed in this action pursuant to § 32-1-302, C.R.S., is hereby released and discharged.

12. That, the members of the Boards of Directors of the Districts and their lawful successors shall hereafter take such actions and proceedings as are necessary for the governance of the Districts.

13. That, the Districts shall have and exercise, through its Boards of Directors and officers, all of the powers and authorities conferred upon metropolitan districts under and by virtue of the provisions of Article 1, Title 32, C.R.S., and all laws relating thereto, and all powers and authorities as may hereafter be conferred by law.

DONE IN COURT this \_\_\_\_ day of \_\_\_\_\_, 2009.

BY THE COURT:

\_\_\_\_\_  
District Court Judge

**EXHIBIT A  
TO ORDER AND DECREE ORGANIZING  
HIGH PRAIRIE POLO CLUB METROPOLITAN DISTRICTS NOS. 1 & 2**

**LEGAL DESCRIPTION OF EACH DISTRICT AND FUTURE INCLUSION AREA**

HIGH PRAIRIE POLO CLUB METROPOLITAN DISTRICT NO. 1:

Tract F, High Prairie International Polo Club RSP, County of Douglas, Colorado, containing an area of 12.59 acres, more or less

HIGH PRAIRIE POLO CLUB METROPOLITAN DISTRICT NO. 2:

Parcels 1 – 60 and Tracts A, J, K, L, M, N, P and Q, High Prairie International Polo Club RSP, County of Douglas, Colorado, containing an area of 472.02 acres, more or less

FUTURE INCLUSION AREA:

Tracts B, C, D, E, G, H and R, High Prairie International Polo Club RSP, County of Douglas, Colorado, containing an area of 563.99 acres, more or less

HPPCMD\ORG\SLP1115112009  
1139.0002





This document constitutes a ruling of the court and should be treated as such.

**Court:** CO Douglas County District Court 18th JD

**Judge:** Nancy A Hopf

**File & Serve**

**Transaction ID:** 28212880

**Current Date:** Dec 10, 2009

**Case Number:** 2009CV2992

**Case Name:** In the matter of: HIGH PRAIRIE POLO CLUB METROPOLITAN DIST

/s/ Judge Nancy A Hopf