

RESOLUTION #R-15-2016

**A RESOLUTION OF THE LOVELAND CITY COUNCIL APPROVING
THE CONSOLIDATED SERVICE PLAN FOR LEE FARM
METROPOLITAN DISTRICTS NOS. 1 – 4**

WHEREAS, pursuant to Section 32-1-204.5, C.R.S., as amended, the Consolidated Service Plan for Lee Farm Metropolitan Districts Nos. 1, 2, 3, and 4 (collectively the “Districts”) has been submitted to the City Council (the “City Council”) of the City of Loveland, Colorado (the “City”); and

WHEREAS, a copy of said Consolidated Service Plan is attached hereto as Exhibit A and incorporated herein by reference (the “Service Plan”); and

WHEREAS, the boundaries of the proposed Districts are wholly contained within the boundaries of the City; and

WHEREAS, notice of the hearing before the City Council for its consideration of the Service Plan was duly published in the *Loveland Reporter-Herald* on December 28, 2015, as required by law, as evidenced by the “Affidavit of Publication,” attached hereto as Exhibit B and incorporated herein by reference; and

WHEREAS, notice of the hearing before the City Council was also duly mailed by first class mail, on December 30, 2015, to interested persons, defined as follows: (1) the Colorado Division of Local Government; (2) the governing body of any municipality or special district which has levied an ad valorem tax within the next preceding tax year, and which has boundaries within a radius of three (3) miles of the proposed Districts’ boundaries; and (3) the property owners within the proposed Districts as listed on the records of the Larimer County Assessor, as evidenced by the Certificate of Mailing attached hereto as Exhibit C and incorporated herein by reference; and

WHEREAS, pursuant to the provisions of Title 32, Article 1, C.R.S., as amended, the City Council opened a public hearing on the Service Plan for the proposed Districts on January 19, 2016, and continued the public hearing until February 2, 2016, at which time the public hearing was held; and

WHEREAS, the City Council has considered the Service Plan, and all other testimony and evidence presented at the hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the hearing before the City Council was open to the public; that all interested parties were heard or had the opportunity to be heard; and that all relevant testimony and evidence submitted to the City Council was considered.

Section 2. That evidence satisfactory to the City Council for finding each of the following was presented at the hearing:

- a. there is sufficient existing and projected need for organized service in the area to be serviced by the proposed Districts;
- b. the existing service in the area to be served by the proposed Districts is inadequate for present and projected needs;
- c. the proposed Districts are capable of providing economical and sufficient service to the area within their proposed boundaries;
- d. the area to be included within the proposed Districts has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
- e. adequate service is not or will not be available to the area through the City or other existing municipal or quasi-municipal corporations within a reasonable time and on a comparable basis;
- f. the facility and service standards of the proposed Districts are compatible with the facility and service standards of the City;
- g. the proposal is in substantial compliance with any Master Plan adopted by the City pursuant to Section 31-23-206, C.R.S., as amended;
- h. the proposal is in substantial compliance with any duly adopted City, County, regional and State long-range water quality management plans for the area; and
- i. the creation of the proposed Districts will be in the best interest of the area proposed to be served.

Section 3. That the City Council hereby determines that the requirements of Sections 32-1-202 (1), (2), and (3), C.R.S., relating to the filing of the Service Plan for the Districts, and the requirements of Sections 32-1-204 (1) and (1.5), C.R.S., relating to notice of the hearing by City Council, and the requirements of Section 32-1-204.5, C.R.S., relating to the approval by the City Council have been fulfilled in a timely manner.

Section 4. That the City Council hereby approves the Service Plan for the Districts as submitted.

Section 5. That a certified copy of this Resolution shall be filed in the records of the City and the Larimer County Clerk and Recorder, and submitted to the petitioners under the Service Plan for the purpose of filing in the District Court of Larimer County.

Section 6. That the City Council's findings in this Resolution and its approval of the Service Plan are conditioned upon the proponents of the Service Plan having reimbursed the City for all the charges and fees it has incurred with its bond counsel and public finance consultant relating to their review of the Service Plan and creation of the Districts.

Section 7. That this approval of the Service Plan shall be further conditioned upon the owner of the real property contained within Lee Farm Metropolitan Districts Nos. 1 – 4 (the "Owners") providing to the Loveland City Attorney a mill levy disclosure statement signed by the Owners in a form acceptable to the City Attorney, which statement shall be recorded with the Larimer County Clerk and Recorder, and further conditioned upon an agreement between the City and the Owners, in a form acceptable to the City Manager and City Attorney, requiring the Owners to provide the mill levy disclosure statement to all prospective purchasers of lots in Lee Farm Metropolitan Districts Nos. 1 – 4 prior to any purchaser entering into the contract to purchase a lot from the Owners, or their successors and assigns.

Section 8. That nothing herein limits the City's powers with respect to the Districts, the properties within the Districts, or the improvements to be constructed by the Districts.

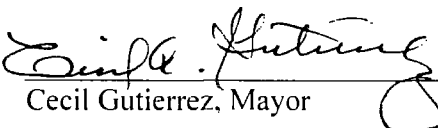
Section 9. That the City's findings are based solely upon the evidence in the Service Plan, including projections provided by the developer/proponent of the Districts, and such other evidence presented at the public hearing and the City has not conducted any independent investigation of the evidence. The City makes no guarantee as to the financial viability of the Districts or the achievability of the results as set forth in the Service Plan.

Section 10. That this Resolution shall be effective as of the date of its adoption.


Adopted this 16th day of February, 2016.



CITY OF LOVELAND, COLORADO, a Colorado municipal corporation

By: 
Cecil Gutierrez, Mayor

ATTEST:

By: 
Luisa G. Andrews
City Clerk

APPROVED AS TO FORM:


Tami Yalter
City Attorney

**EXHIBIT A
TO RESOLUTION**

**Consolidated Service Plan for
Lee Farm Metropolitan Districts Nos. 1 – 4**

**CONSOLIDATED SERVICE PLAN
FOR
LEE FARM METROPOLITAN DISTRICTS NOS. 1, 2, 3, AND 4**

Prepared by

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Approved by Loveland City Council February 2, 2016

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I. INTRODUCTION

A. General Overview

1. Scope of Service Plan. This consolidated service plan ("Service Plan") for Lee Farm Metropolitan Districts Nos. 1, 2, 3, and 4, City of Loveland, Larimer County, Colorado. (the "Districts") constitutes a combined Service Plan for four special districts proposed for organization to serve the needs of a new development known as Lee Farm in the City of Loveland, Colorado (the "City") in Larimer County (the "County"). The Districts' boundaries will contain approximately 246 acres for primarily residential development. Construction of public improvements is anticipated to occur over the next 1 to 10 years with build-out of all homes anticipated to occur in 2026.

A map depicting the Districts' boundaries is attached hereto and incorporated herein as Exhibit A, and the legal description of the Districts' boundaries is attached hereto and incorporated herein as Exhibit B.

Considerable public improvements will be designed, acquired, installed, constructed, financed, operated, and/or maintained to provide the required water, wastewater, streets, and other public improvements needed for the area. This Service Plan addresses the public improvements which will be provided by the Districts and demonstrates how the four special districts proposed to serve the development will work in tandem to provide the necessary public improvements and services.

2. Multiple District Structure. This Service Plan is submitted in accordance with Part 2 of the Special District Act (§§ 32-1-201, *et seq.*, C.R.S.). It defines the powers and authorities of, as well as the limitations and restrictions on, the Districts. The use of a consolidated Service Plan for the Districts will help assure proper coordination of the powers and authorities of the independent Districts and will help avoid confusion regarding the separate, but coordinated, purposes of the Districts which could arise if separate service plans were used. Unless otherwise specifically noted herein, general provisions of this Service Plan apply to all Districts. Where possible, however, specific reference is made to an individual District to help distinguish the powers and authorities of each District. The "Financing Plan" discussed in Section VII refers to a consolidated preliminary financial plan for the Districts which may be used by the Districts for designing, acquiring, installing, constructing, financing, operating, or maintaining public improvements of the Districts. Lee Farm Metropolitan District No. 1 shall be referred to as the "Service District," and Lee Farm Metropolitan Districts Nos. 2, 3, and 4 shall be referred to as the "Financing Districts." The Service District and the Financing Districts are sometimes collectively referred to as the "Districts" and individually as the "District"; unless the context dictates otherwise, the singular includes the plural, and the plural includes the singular.

The Service District will be responsible for managing the design, acquisition, installation, construction, financing, operation, and/or maintenance of public improvements needed for the development until such time as any such public improvements may be required to be conveyed to the City pursuant to Section I.A.7 and Section III of this Service Plan. The

Districts will be responsible for providing the funding needed to support the Financing Plan for capital public improvements and for operations dependent on development within the Districts and the ultimate size of the tax base that follows.

Various agreements are expected to be executed by the Districts clarifying the nature of the functions and services to be provided by each District. The agreements will be designed to help assure the orderly development of essential services and public improvements resulting in a development which will be both an aesthetic and economic asset to the City.

The establishment of Lee Farm Metropolitan District No. 1 as the Service District, which is anticipated to initially own and operate the public improvements throughout the development, and the establishment of Lee Farm Metropolitan Districts Nos. 2, 3, and 4 as the Financing Districts, which will generate the majority of the tax revenue sufficient to pay the costs of the capital public improvements, will create several benefits for the inhabitants of the development, the City, and other affected municipalities. In general, those benefits are: (a) coordinated administration of the design, acquisition, installation, construction, financing, operation, and/or maintenance of public improvements, and delivery of those public improvements in a timely manner; (b) maintenance of reasonably uniform mill levies and reasonable tax burdens on all areas of the Districts through proper management of the financing and operation of public improvements; and (c) assurance that public improvements required by the City are designed, acquired, installed, constructed, financed, operated, and/or maintained in a timely and cost effective manner by which to protect residents, bondholders, and the City from the risk of development. Each of these concepts is addressed in greater detail in the following paragraphs.

3. Benefits of Multiple District Structure.

a. Coordinated Services. As presently planned, development of the property within the Districts will proceed in phases, each of which will require the extension of public services and public improvements. The multiple district structure is intended to better assure that the design, acquisition, installation, construction, financing, operation, and maintenance of each phase of public improvements will be primarily administered by a single board of directors consistent with a long-term construction and operations program. Use of the Service District as the entity responsible for the design, acquisition, installation, construction, financing, operation, and maintenance of each phase of public improvements is designed to facilitate a well-planned financing effort through all phases of construction and to assist in assuring coordinated extension of services.

The multiple district structure also is anticipated to help assure that public improvements and services needed for future build-out of the development will be provided when they are needed, and not sooner. Absent an appropriate mechanism to assure timely completion of future public improvements, the Developer (as hereinafter defined) might be influenced to cause public improvements to be completed well before they are needed simply to assure that they can be provided with tax-exempt financing. Appropriate development agreements between the Service District and the Developer will allow the postponement of financing for public improvements which are not needed until well into the future, thereby

helping residents avoid the long-term carrying costs associated with financing public improvements before development within the Districts dictates. This, in turn, allows the full costs of public improvements to be allocated over the full build-out of the Districts and helps avoid disproportionate cost burdens being imposed on the early phases of development.

b. Uniform Mill Levy. Allocation of the responsibility for paying Debt (as hereinafter defined) will be managed through development of a unified financing plan for necessary public improvements and through development of an integrated operating plan for long-term operations and maintenance. Use of the multiple district structure, with the Service District managing these functions, is intended to provide for a more reasonable capital improvement schedule and more reasonable long-term operations and maintenance responsibilities. Intergovernmental agreements between and/or among the Districts are anticipated to implement the Financing Plan in a way that yields roughly uniform mill levies throughout the Districts.

c. Bond Interest Rates. The use of the Service District and the Financing Districts in tandem to issue Debt to provide for the cost of public improvements in the Districts is designed to allow for the issuance of Debt at competitive interest rates. The multiple district structure is designed to allow the Districts to coordinate the timing and issuance of Debt in such a way as to help increase assurance that public improvements required by the City are designed, acquired, installed, constructed, and/or financed in conformance with the time and in the manner desired by the City. The combination of appropriate management and control of the timing of financing, and the ability of the Districts to obtain attractive interest rates, will benefit residents and the City. Consequently, the multiple district structure is designed to lower risk and allow Debt to be issued to finance public improvements at lower rates than if a single special district is organized.

4. Configuration of Districts. In order to implement the multiple district structure, the boundaries of the Service District and the Financing Districts need to be carefully configured. The Service District will contain approximately .009 acres, and the Financing Districts will contain approximately 246 acres. Housing types within the development are anticipated to include single-family attached residences, single-family detached residences, multi-family residences, and patio homes, with average prices from \$325,000 to greater than \$610,000, and are anticipated to total approximately 736 units. The estimated projected population of the Districts at full build-out is approximately 2,200 persons based upon an assumption of three individuals per unit.

The "service area" (the area legally permitted to be served) for the Districts will consist of the entire area of the development, which may include property both within and without the Districts' boundaries. The Districts will have the power to levy taxes as permitted by law but may only impose taxes within their respective legal boundaries.

Only boundary adjustments which add to, or subtract from, the total acreage of the Districts shall be considered a material modification of this Service Plan and shall require the prior written approval of the City Council. No additional approval from the City Council shall be required for boundary adjustments which do not increase or decrease the total acreage of the

Districts; so long as the total acreage of the Districts does not change, the Districts' individual boundaries may be adjusted as the Districts deem necessary to account for development pace, infrastructure phasing requirements, and other market conditions; provided, however, without prior written approval of the City Council, no property may be excluded from a District and included into another District where both Districts have issued Debt. Such adjustments shall be effected pursuant to §§ 32-1-401 and §§ 32-1-501, *et seq.*, C.R.S.

5. Long-Term District Plan. After all Debt instruments have been issued by the Districts and adequate provision has been made for payment of all of the Districts' Debt, the electorate of the Districts will have the opportunity to consider either the consolidation of the Service District and the Financing Districts into a single entity, or the dissolution of the Service District and/or the Financing Districts in accordance with state law. The Service District and the Financing Districts may consider consolidation and/or dissolution at the time each District's Debt has been paid and adequate provision has been made for operation of all of the Districts' public improvements. Additionally, the City may request, and the Districts shall undertake upon such request, initiation of consolidation proceedings in accordance with Title 32, Section 1, Part 6 of the Colorado Revised Statutes. Ultimately, control of these decisions will rest with the electorate in each District. At any time after the Districts' Debt obligations have been fully discharged and so long as the Districts have no ongoing operations or maintenance obligations, the City may file an application with the Districts' boards pursuant to § 32-1-701(3), C.R.S., and the Districts shall thereupon dissolve in a prompt and orderly manner. In such event, the authorized purposes and powers of the Districts shall automatically be curtailed and expressly limited to taking actions reasonably necessary to dissolve, and the boards of directors of the Districts and the City Council will be deemed to have agreed to the dissolution without election pursuant to § 32-1-704(3)(b) C.R.S., and the Districts shall thereupon dissolve. In the event the Districts have not issued any Debt prior to February 2, 2021, the Districts shall initiate dissolution proceedings unless the City Council consents to the continued existence of the Districts beyond said date, as evidenced by a resolution after a public hearing thereon. In the absence of such City Council consent, the authorized purposes and powers of the Districts shall automatically be curtailed and expressly limited to taking actions reasonably necessary to dissolve, and the boards of directors of the Districts and the City Council will be deemed to have agreed to the dissolution without election pursuant to § 32-1-704(3)(b) C.R.S., and the Districts shall thereupon dissolve.

6. City Policy. Notwithstanding anything contained herein to the contrary, the Districts shall be subject to and comply with all applicable provisions of the City's Charter, Code, ordinances, resolutions, rules, regulations, standards, and policies ("City Policy").

7. Dedication of Public Improvements. The Districts shall, in accordance with City Policy, dedicate, or cause to be dedicated on their behalf, all public improvements customarily dedicated to the City. These public improvements include, but are not limited to: public water and wastewater improvements, all public streets and those streets dedicated by plat, public storm drainage and detention improvements, all public sidewalks, as well as all rights-of-way and easements necessary for access to public improvements. Public improvements which are to be dedicated to the City shall be designed and constructed in accordance with state and federal laws, regulations, and standards, and in accordance with City Policy. It is anticipated that

the Districts shall own and maintain or cause to be maintained all neighborhood parks, all recreational public improvements, and any potable or non-potable irrigation systems. However, in accordance with City Policy, and upon agreement by the City and the District(s), the City may accept, but shall not be required to accept, dedication of neighborhood parks, open space, recreational public improvements, and potable and non-potable irrigation systems. Any parking lots, parking structures, and other off-street parking facilities shall not be dedicated to the City, but shall be owned, operated, and maintained by the Districts.

Operations and maintenance of those public improvements dedicated to the City in accordance with City Policy shall rest with the City. However, the Districts shall maintain all landscaping in the public rights-of-way unless such obligation is expressly accepted by the City. In the event the Districts construct or install enhanced amenities which exceed City standards, the City and the Districts shall agree as to the operation and maintenance of such enhanced amenities prior to the City's acceptance of any such public improvements. All park and recreation and landscaping public improvements, including waterways and associated landscaping not dedicated to and accepted by the City, shall be owned, operated, and maintained by the Districts, either directly or by contract with another entity such as a property owners' association.

Storm sewer systems, including inlets and underground pipes within public rights-of-way, shall be conveyed to the City for purposes of reporting on Municipal Separate Storm Sewer System (MS4) Reports. The Districts shall retain such easements as are necessary to operate and maintain landscaping and related public improvements associated with such storm drainage and detention areas. The Districts shall further retain such easements as are necessary to operate and maintain all detention ponds, their respective outlet works, water quality components, and outlet pipes from the detention ponds to the point of terminus.

The Districts may, at their sole cost and expense, acquire all property required by the City for the design, acquisition, installation, construction, financing, operation, and/or maintenance of public improvements to be provided by the Districts pursuant to this Service Plan. The Districts may acquire any interests in property, leases, and easements necessary to the functions or the operation of the Districts, except that the Districts shall not pay more than fair market value and reasonable settlement costs for any interest in real property and shall not pay for any interest in real property which must otherwise be dedicated for public use or the Districts' use in accordance with any governmental ordinance, regulation, or law and in accordance with City Policy. Accordingly, the Districts shall not purchase from the Developer any interest in real property that is customarily dedicated by developers to the City at no cost to the City and in accordance with City Policy.

In the event that the City determines that public improvements have been constructed in accordance with City Policy and will be accepted by the City in accordance with City Policy, an initial acceptance letter shall be issued by the City specifying that the public improvements dedicated to the City shall be warranted by the District or the Developer, for a period of two calendar years from the date of such initial acceptance, or such other warranty period as may be required by City Policy. Should the public improvements conform to the City's specifications and standards, the City shall issue a "Final Acceptance" form letter to the

Districts at the completion of the applicable warranty period. The City shall not unreasonably withhold or delay Final Acceptance of District public improvements, provided that such public improvements are in conformance with City Policy. At the City's discretion, dedication of public improvements may take place after the expiration of the applicable warranty period.

Failure of the Districts to comply with these dedication requirements shall be deemed to be a material departure from this Service Plan. Such dedication requirements shall not be amended without the prior approval of the City Council.

8. Existing Services and Districts. There are currently no other entities in existence in the area of the proposed development which have the ability and desire to undertake the design, financing, construction, operation, and/or maintenance of the public improvements which are needed for the development. It is also the Developer's understanding that the City does not consider it feasible or practicable to provide the necessary services and public improvements for the development, as further described herein. Consequently, use of the Districts is deemed necessary for the provision of public improvements in the development.

In order to minimize the proliferation of new governmental structures and personnel, the Districts intend to utilize existing entities, to the extent possible for operations and maintenance of public improvements. Consequently, while the Districts will finance capital public improvements and coordinate the provision of services, the Districts are expected to utilize existing entities and personnel as much as possible. Double taxation can be avoided by the Districts undertaking the necessary capital financing with Debt levies, and existing service providers furnishing day-to-day operations and maintenance with service charges and operating levies. As described above, public improvements, including sanitary sewer and water improvements (other than potable or non-potable irrigation systems), storm drainage, streets, and traffic safety and signalization improvements, will be conveyed to the City by the Districts and subsequent operations and maintenance of these public improvements shall rest with the City. Park and recreation public improvements may be conveyed to the City or may be owned, operated, and maintained by the Districts, as described in greater detail above. The timing for conveyance of the public improvements will be developed by mutual agreement of the District(s) and the appropriate party as generally described above and in Section V hereof.

9. Property Owners Associations. Certain services may be provided within the Districts by one or more property owners associations expected to be organized as Colorado non-profit organizations comprised of all or a portion of the property owners in the Districts. The associations may provide architectural control services, community organizations, community events and activities, community marketing, animal control, security, recreational amenity maintenance, common area maintenance, and other programs which may be beyond the scope or financial capacity of the Districts. The District(s), as further provided in Section II.B.10, also have the power and authority, but not the obligation, to provide covenant enforcement and design review services.

B. General Financial Information and Assumptions

The 2015 certified assessed valuation of all taxable property within the boundaries of the Districts was approximately \$0.00. The initial assessed valuation of property within the Service District is expected to be approximately \$0.00, and the initial assessed valuation within the Financing Districts is expected to be approximately \$0.00. At build-out, the total assessed valuation within the Districts is estimated to be approximately \$25,896,000.

The anticipated cost of public improvements necessary to provide access to and appropriate services within the Districts is estimated in Exhibit D. As shown in Exhibit D, the total cost of the estimated public improvements is \$39,922,509.74. Costs are shown for each category of public improvements anticipated to be constructed. The Districts may obtain financing for the capital public improvements needed for the development through the issuance of Debt instruments by the Districts. General obligation Debt will be payable from revenues derived from ad valorem property taxes and from other legally available sources. At the time Debt instruments are proposed to be issued, alternative financing plans may be employed and utilized by the Districts as long as such alternative financing plan does not result in any material economic deviation or a change in the risk to property owners.

The Financing Plan demonstrates that the cost of public improvements described herein can be defrayed with the imposition of reasonable mill levies based on anticipated development within the Districts. The figures contained herein depicting costs of public improvements and operations shall not constitute legal limits on the financial powers of the Districts; provided, however, that the Districts shall not be permitted to issue Debt which is not in compliance with the bond registration and issuance requirements of state law.

C. Contents of Service Plan

This Service Plan consists of a preliminary financial analysis and preliminary engineering plan showing how the public improvements and services for the Districts can be provided and financed by the Districts. Numerous items are included in this Service Plan in order to satisfy the requirements of law for formation of special districts. Those items are listed in Exhibit F attached hereto. Each of the requirements of law is satisfied by this Service Plan.

The assumptions contained within this Service Plan were derived from a variety of sources. Information regarding the present status of property within the Districts, as well as the current status and projected future level of similar services, was obtained from the Developer. Construction cost estimates were assembled by CWC Consulting Group, Inc. and Pinnacle Consulting Group, Inc., which have experience in the costing and construction of similar public improvements. Legal advice in the preparation of this Service Plan was provided by Icenogle Seaver Pogue, P.C., which represents numerous special districts. Preparation of the Financing Plan was provided by Stan Bernstein and Associates. The proponent of the Districts is True Life Companies, an investment and asset management company with experience in all phases of real estate development including land acquisition, entitlements and engineering, land development, vertical construction, sales, and marketing (the "Proponent"). For purposes of this Service Plan, the term "Developer" shall mean The True Life Companies, its affiliates, and its respective

successors and assigns. As of the date of submission of this Service Plan, the Proponent has a contract to purchase the real property comprising the Districts, to which the City's approval of this Service Plan is a condition precedent to closing.

D. Modification of Service Plan

This Service Plan has been designed with sufficient flexibility to enable the Districts to provide required services and public improvements under evolving circumstances without the need for numerous amendments. While the assumptions upon which this Service Plan are generally based are reflective of current zoning for the property within the Districts, the cost estimates and Financing Plan are sufficiently flexible to enable the Districts to provide necessary services and public improvements without the need to amend this Service Plan as zoning changes. Modification of the general types of services and public improvements, and changes in proposed configurations, locations, or dimensions of various public improvements shall be permitted to accommodate development needs consistent with then-current zoning for the property and consistent with City Policy.

II. NEED FOR NEW DISTRICTS AND GENERAL POWERS

A. Need for Metropolitan Districts

The property within the Districts' boundaries currently is undeveloped. No other entities exist which will finance the design, acquisition, installation, construction, operation, or maintenance of the public improvements needed for the Districts. The intergovernmental agreements referred to in Section V hereof will address and define the activities to be undertaken by various entities with regard to public improvements. In order to make the most efficient utilization of existing governmental entities, the Districts may enter into cost sharing agreements for the design, acquisition, installation, and/or construction of certain public improvements and for operations and maintenance of certain public improvements.

B. General Powers of Districts

Each District will have power and authority, but not the obligation, to provide the services and public improvements described in this Section both within and outside its boundaries in accordance with state law. The powers and authorities of each District will be allocated and further refined in one or more intergovernmental agreements among the Districts, which may be voted upon and approved by their respective electorates. For purposes of the Special District Control Act, such intergovernmental agreements shall not constitute an amendment of this Service Plan. The intergovernmental agreements will, however, constitute binding agreements among the Districts regarding implementation of the powers and authorities contained in this Service Plan.

The Districts shall have the power and authority, but not the obligation, to provide the services and public improvements listed below, all of which shall be in conformance with City Policy and/or the standards and specifications of other entities which may operate and maintain the completed public improvements. In accordance with City Policy, the Districts will obtain

City approval of civil engineering plans and a permit from the City for construction and installation of all public improvements.

1. Sanitation and Storm Drainage. The Districts shall have the power and authority, but not the obligation, to provide for the design, acquisition, installation, construction, financing, operation, and maintenance of storm or sanitary sewers, or both, flood and surface drainage improvements including, but not limited to, underdrains, culverts, dams, retaining walls, access ways, inlets, detention ponds and paving, roadside swales and curbs and gutters, wastewater lift stations, force mains, and wetwell storage facilities, and all necessary or proper equipment and appurtenances incident thereto, together with all necessary, incidental, and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said public improvements. The Districts shall not design, acquire, install, construct, finance, operate, or maintain any sewer treatment or disposal works or facilities.

2. Water. The Districts shall have the power and authority, but not the obligation, to provide for the design, acquisition, installation, construction, financing, operation, and maintenance of a complete potable water and non-potable irrigation water system, including but not limited to, water rights, water supply, transmission and distribution systems for domestic and other public or private purposes, together with all necessary and proper water rights, equipment, and appurtenances incident thereto which may include, but shall not be limited to, transmission lines, distribution mains and laterals, storage facilities, land and easements, together with extensions of and improvements to said systems. The Districts shall not design, acquire, install, construct, finance, operate, or maintain any water well, water treatment, or water storage works or facilities for use as part of a domestic potable water system without prior consent of the City Council; however, nothing in this Section shall be interpreted to limit the Districts' power and authority to acquire water rights and water supply for any potable or non-potable water system.

3. Streets. The Districts shall have the power and authority, but not the obligation, to provide for the design, acquisition, installation, construction, financing, operation, and maintenance of street and roadway improvements, including, but not limited to, curbs, gutters, culverts, storm sewers and other drainage facilities, acceleration and deceleration lanes, detention ponds, retaining walls and appurtenances, as well as sidewalks, bike paths and pedestrian ways, bridges, median islands, parking facilities, paving, lighting, grading, landscaping and irrigation, undergrounding of public utilities, snow removal equipment, or tunnels and other street improvements, together with all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said public improvements.

4. Traffic and Safety Controls. The Districts shall have the power and authority, but not the obligation, to provide for the design, acquisition, installation, construction, financing, operation, and maintenance of traffic and safety protection facilities and services through traffic and safety controls and devices on arterial streets, highways, collector streets, local streets, and all other public streets and roadways as well as other public improvements, including, but not limited to, signalization at intersections, traffic signs, area identification signs, directional assistance and driver information signs, together with all necessary, incidental, and

appurtenant facilities, land easements, together with extensions of and improvements to said public improvements.

5. Parks and Recreation. The Districts shall have the power and authority, but not the obligation, to provide for the design, acquisition, installation, construction, financing, operation, and maintenance of public park and recreation facilities and programs, including, but not limited to, grading, soil preparation, sprinkler systems, playgrounds, playfields, parks, bike and hiking trails, pedestrian trails, pedestrian bridges, open space, picnic areas, swimming pools, basketball courts, fitness centers, resident clubhouse facilities, volleyball courts, common area landscaping and weed control, outdoor lighting of all types, community events, cultural activities, water bodies, irrigation facilities, and other active and passive recreational facilities, programs, and events, together with all necessary, incidental, and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said public improvements.

6. Transportation. The Districts shall have the power and authority, but not the obligation, to provide for the design, acquisition, installation, construction, financing, operation, and maintenance of public transportation system improvements, including, but not limited to, transportation equipment, park and ride facilities and parking lots, parking structures, roofs, covers, and facilities, including structures for repair, operations and maintenance of such facilities, together with all necessary, incidental, and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said public improvements.

7. Television Relay and Translator. The Districts shall have the power and authority, but not the obligation, to provide for the design, acquisition, construction, completion, installation, financing, operation, and maintenance of television relay and translator facilities including, but not limited to, cable television and communication facilities, satellite television facilities, Internet and other telecommunication facilities, together with all necessary, incidental, and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said public improvements.

8. Mosquito and Pest Control. The Districts shall have the power and authority, but not the obligation, to provide for the eradication and control of mosquitoes, rodents, and other pests, including, but not limited to, the elimination or treatment of breeding grounds and purchasing, leasing, contracting, or otherwise using equipment or supplies for mosquito and pest control.

9. Security. The Districts shall have the power and authority, but not the obligation, to furnish security services for any area within the Districts' boundaries. Prior to furnishing any security services, the Districts shall provide written notification to, consult with, and obtain the prior written consent of the City's Chief of Police and any applicable master association or similar body having authority in its charter or declaration to furnish security services within the Districts' boundaries.

10. Covenant Enforcement. The Districts shall have the power and authority, but not the obligation, to provide covenant enforcement and design review services within the Districts if the Districts and the governing body of a master association or similar body contract

for such services, or if the declaration, rules and regulations, or any similar document containing the covenants to be enforced for the area within the Districts name the Districts as the enforcement or design review entity. The Districts shall have the power to provide covenant enforcement and design review services only if revenues used to provide such services are derived from the area in which the service is furnished.

11. Legal Powers. The powers and authorities of the Districts can be exercised by their respective boards of directors to the extent necessary to provide the public improvements and services contemplated in this Service Plan upon determination by the respective boards of directors that such public improvements and services are needed and in the best interests of the applicable District. The foregoing public improvements and services, along with all other activities permitted by law, if determined to be in the best interests of the respective Districts by their respective boards of directors, will be undertaken in accordance with, and pursuant to, the procedures and conditions contained in the Special District Act, other applicable statutes, and this Service Plan, as any or all of the same may be amended from time to time.

12. Other. In addition to the powers enumerated above, the boards of directors of the Districts shall also have the following authority:

a. To amend this Service Plan as needed, subject to the appropriate statutory procedures, provided that any material modification of this Service Plan shall be made only with the prior written approval of the City Council in accordance with § 32-1-207, C.R.S. Each District shall have the right to amend this Service Plan independent of participation of the other Districts, provided that a District shall not be permitted to amend those portions of this Service Plan which affect, impair, or impinge upon the rights or powers of another District without such other District's consent; and

b. To forego, reschedule, or restructure the design, acquisition, installation, construction, financing, operation, or maintenance of certain public improvements in order to better accommodate the pace of growth, resource availability, and potential inclusions of property within the Districts, or if the development of the public improvements would best be performed by another entity; and

c. Except as otherwise limited herein, to exercise all necessary and implied powers under Title 32, C.R.S. in the reasonable discretion of the boards of directors of the respective Districts as necessary to further the exercise of the powers expressly authorized by this Service Plan.

13. Condemnation. Absent the prior written approval of the City Council, the Districts shall not exercise their statutory power of eminent domain or dominant eminent domain for the purpose of condemning property outside of the Districts' boundaries, including any property owned by the City. Additional approval from the City Council shall not be required prior to the Districts' exercise of their statutory power of eminent domain or dominant eminent domain with respect to property within the Districts' boundaries; provided, however, that the Districts shall not exercise their statutory power of dominant eminent domain to condemn

property owned by the City, and located within the Districts' boundaries, without the prior written consent of the City Council.

14. Subdistrict Limitation. Absent the prior written approval of the City Council, the Districts shall not divide into one or more subdistricts pursuant to Section 32-1-1101(1)(f), C.R.S.

15. Special Assessments. Absent the prior written approval of the City Council, the Districts may not establish any special improvement districts pursuant to Section 32-1-1101.7, C.R.S., nor shall the Districts levy any special assessments pursuant to 32-1-1101(1)(g), C.R.S.

III. DESCRIPTION OF PUBLIC IMPROVEMENTS

The Service District and the Financing Districts will be permitted to exercise their statutory powers and their respective authorities as set forth herein to design, acquire, install, construct, finance, operate, and maintain the public improvements described in Section II of this Service Plan either directly or by contract. A depiction of the public improvements anticipated to be provided by the Districts is set forth in Exhibit C, attached hereto and incorporated herein by this reference. Where appropriate, the Districts may contract with various public and/or private entities to undertake such functions. The Districts also may petition existing governmental entities for inclusion of part or all of the property within the Districts into an existing service area. There are currently no other entities within the boundaries of the proposed Districts providing the following services, nor shall the services provided by the Districts duplicate or interfere with those services provided by the City. Public improvements which are to be dedicated to the City shall be designed and constructed in accordance with City Policy and applicable state and federal laws, regulations, and standards.

Detailed information for each type of public improvement needed for the Districts is set forth in the following pages. It is important to note that the preliminary layouts contained in this Section and in Exhibit C are conceptual in nature only and that modifications to the type, configuration, and location of public improvements will be necessary as development proceeds. All public improvements will be designed in such a way as to assure that the public improvement and service standards will be compatible with those of the City and of other municipalities and special districts which may be affected thereby. To the extent required by City Policy, the Districts will provide letters of credit or other surety required by City Policy to the City to provide security for public improvements to be constructed by the Districts.

The following Sections contain general descriptions of the contemplated public improvements which will be financed by the Districts.

A. General

The design, acquisition, installation, construction, financing, operation, or maintenance of all planned public improvements will be scheduled to allow for proper sizing and phasing to keep pace with the need for service. All descriptions of the specific public improvements to be

designed, acquired, installed, constructed, financed, operated, or maintained, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, requirements of the City, and construction design or scheduling may require. As depicted herein, many of the public improvements permitted to be designed, acquired, installed, constructed, financed, operated, or maintained by the Districts are anticipated to be necessary in the initial years of development.

B. General Design Standards

Any public improvements determined by the respective Districts' boards of directors to be designed, acquired, installed, constructed, financed, operated, or maintained by the District(s) and that are within the municipal boundaries of the City, including without limitation, those specifically listed herein, must be designed and installed by the District(s) in conformance with current standards adopted by the District(s) and in accordance with City Policy. The intergovernmental agreements discussed in Section V hereof describe the procedures which will be followed to assure compliance with the requirements of this Service Plan.

1. Wastewater System. The Districts have the power and authority, but not the obligation, to provide for the design, acquisition, installation, construction, financing, operation, and maintenance of sanitary sewer lines, and any sanitary sewer lines constructed by the Districts will be designed and installed to conform to the current standards and recommendations of the Colorado Department of Health, City Policy, the rules and regulations adopted by the Districts or other affected municipalities, and sound engineering judgment.

All major elements of the sanitary sewer lines required for proper operation may be designed, acquired, installed, constructed, financed, operated, or maintained by the Districts. Operations and maintenance of any wastewater facilities constructed by the Districts will be provided by the Districts until such facilities are dedicated to the City in accordance with the terms of this Service Plan and City Policy.

2. Storm Drainage.

a. Generally. The Districts have the power and authority, but not the obligation, to design, acquire, install, construct, finance, operate, and maintain the necessary storm drainage system to serve the development. The proposed elements of the storm drainage system will provide a network of underdrains, culverts, roadside swales, pipes, detention and water quality ponds, inlet and outlet structures, and curbs and gutters designed and installed in accordance with City Policy and sound engineering judgment. The Districts are authorized to design, acquire, install, construct, finance, operate, and/or maintain all public storm drainage improvements as needed to serve the property within the Districts. Specific public drainage improvements within individual development parcels may ultimately be designed, acquired, installed, constructed, financed, operated, and/or maintained by individual Developers and/or builders as specified by future approved development plans.

All major public storm drainage improvements ultimately constructed by the Districts must be designed to conform to the standards and recommendations for public storm

drainage improvements pursuant to City Policy, the rules and regulations of the Districts, and standards of other affected jurisdictions.

b. Culverts. Culverts, if required by City policy, will be installed under all roadways that intersect storm drainage channels. Culverts will be designed to pass flows as required by City Policy, and may include headwalls, wing walls, inlet and outlet structures, and riprap protection to enhance their hydraulic capacity and reduce bank or channel erosion.

For any public storm drainage improvement constructed by the Districts, an overall drainage plan will be developed that will identify the major public improvements necessary to convey the storm runoff from the Districts. This plan will include all public improvements required to convey the flows generated within the Districts. This plan must maintain the flexibility to modify the major drainage public improvements as more detailed information is generated during the design of the individual phases. The overall drainage plan will include the utilization of storm sewers, drainage channels, streets, gutters, culverts, and ponds.

3. Potable Water System.

a. Overall Plan. The Districts have the power and authority, but not the obligation, to design, acquire, install, construct, finance, operate, and maintain a complete potable water system subject to the limitations in Section II.B.2 above. The water system will be comprised of a water distribution system consisting of buried water mains, fire hydrants, and related appurtenances located predominately within the Districts' boundaries. Pursuant to Section II.B.2, the District has the power and authority, but not the obligation, to acquire water rights and water supply. When design, acquisition, installation, construction, and/or financing are finalized, the system will serve each development tract from adjacent streets and roads. All major elements of the water facilities ultimately constructed by the Districts will be designed and installed in accordance with City Policy. Operations and maintenance of all water facilities ultimately constructed by the Districts will be provided by the District(s) until such public improvements are dedicated to the City in accordance with the terms of this Service Plan and City Policy.

b. Design Criteria. The proposed domestic potable water distribution system is expected to include pressurized water mains. Any water system components constructed by the Districts will be constructed and installed in accordance with City Policy and applicable standards of all entities with jurisdiction over the Districts. The water system will also be designed based on applicable fire protection requirements.

4. Non-Potable Irrigation Water System.

a. District Authority. The Districts have the power and authority, but not the obligation, to provide for the design, financing, acquisition, installation, operation, construction, operation, and maintenance of a non-potable irrigation water system, including but not limited to, water rights, water supply, treatment, storage, transmission and distribution

systems for public or private purposes, together with all necessary and proper reservoirs, treatment works and facilities, wells, water rights, equipment and appurtenances incident thereto which may include, but shall not be limited to, transmission lines, distribution mains and laterals, storage facilities, land and easements, together with extensions of and improvements to such public improvements within and without the boundaries of the Districts.

b. Overall Plan. The Districts may, in the discretion of their respective boards of directors, choose to provide for a non-potable irrigation water system, which may ultimately serve both public and private property. At this time, the Districts have not included in the Financing Plan the provision of a non-potable irrigation water system, and the Districts shall not be obligated to provide such a system. If ultimately constructed, the non-potable irrigation water system will be constructed in accordance with City Policy and financed through the Districts to service the greenbelts, open spaces, landscaping, parks, and common areas within the Districts. In addition, the Districts may choose to design, acquire, install, construct, finance, operate, or maintain a non-potable irrigation water system designed to serve individual units within the development. If a non-potable irrigation water system is provided, the Districts shall have the right to purchase any and all water rights and water supply necessary for proper operation of the system from the Developer or any other entity or individual as the Districts deem appropriate.

5. Street System and Traffic Safety.

a. General. The Districts have the power and authority, but not the obligation, to design, acquire, install, construct, finance, operate, and maintain a street and roadway system to serve the development. Any existing and proposed elements of the street system will provide a network of arterial streets, collector streets, local streets, and other public streets and roadways to serve the flow of traffic within the Districts. Any facilities, traffic controls, signals, and signage constructed by the Districts will be designed and installed in accordance with City Policy and sound engineering judgment.

b. Streets. Any arterial streets, collector streets, local streets, and other public streets and roadways designed, acquired, installed, constructed, financed, operated, or maintained by the Districts will be designed, located, and installed to conform to the standards and recommendations of the Colorado Department of Transportation (where applicable), City Policy, and the rules and regulations adopted by the Districts.

Traffic controls and signage may be provided along arterial streets, collector streets, local streets, and other public streets and roadways to enhance the flow of traffic within the project. Street lights may be designed, acquired, installed, constructed, financed, operated, and maintained by the Districts along all public streets and roadways.

c. Landscaping. Landscaping may be installed by the Districts along the roadway rights-of-way and trail easements in accordance with City Policy. The Districts may also install and maintain landscaped highlights along the internal streets and entry features at major entrances.

d. Signals and Signage. Signals and signage may be designed, acquired, installed, constructed, financed, operated, and maintained by the Districts as required by traffic studies, the Districts' rules and regulations, City Policy, and the Colorado Department of Transportation, if applicable. Additional signage may be installed as needed to accommodate development.

6. Park and Recreation.

The Districts have the power and authority, but not the obligation to, provide for the design, acquisition, installation, construction, financing, operation, and maintenance of public park and recreation facilities and programs. Any park and recreational public improvements and/or services that the Districts determine to undertake must be constructed in accordance with plans and specifications approved by the City. All park and recreational public improvements ultimately constructed by the Districts will be constructed in accordance with engineering and design requirements appropriate for the surrounding terrain, and shall be compatible with and comply with City Policy or the standards of other local public entities, as applicable, and per approved plans.

C. Services of Districts

The Districts will require operating funds to plan and cause the public improvements authorized herein to be completed. Such costs are expected to include reimbursement of organizational, legal, engineering, accounting, and Debt issuance costs, and costs related to compliance with state reporting and other administrative requirements. An overall Financing Plan showing the anticipated operating costs for the first budget year and thereafter, phasing of Debt issues, and related matters is attached as Exhibit E. Operating costs may increase depending upon the final design of the public improvements and the entity designated responsible for operations and maintenance of the public improvements as set forth in Section III. Notwithstanding the projections set forth in the Financing Plan, such amounts are therefore subject to increase and may be paid from any legally available revenues, including, but not limited to, fees or charges legally imposed by the Districts. Organizational costs and capital costs expended for public improvements prior to the date of organization, if any, will be reimbursed to the Developer by the Districts out of their initial revenue sources including Debt issue proceeds. The Districts may acquire completed public improvements from the Developer with Debt proceeds. Certain public improvements may be required to be conveyed by the Districts to the City. Alternatively, the Developer may dedicate certain public improvements directly to the City, with reimbursement to the Developer to come from the Districts. The Districts' first year's operating budget is estimated to be approximately \$105,000.

As discussed herein, it is anticipated that the Districts will enter into one or more intergovernmental agreements which are expected to provide that the obligation of the Financing Districts to pay the Service District for operating expenses incurred for the provision of services shall constitute "debt" of the Financing District. Accordingly, mill levies certified to make necessary payments to the Service District will be characterized as debt service mill levies notwithstanding that they are imposed to pay contractual obligations for operations and maintenance services provided by the Service District. As provided in Section VII.A herein, the

obligations of the Districts pursuant to the intergovernmental agreements described in this paragraph shall not count against the Debt Limit, as the term Debt Limit is defined herein. The District(s) shall be permitted to borrow its initial operations and maintenance funds from private entities until such time as it is able to generate operating revenues from the Districts.

D. Estimated Cost of Public Improvements

The estimated cost of the public improvements to be designed, acquired, installed, constructed, and/or financed by the Districts are shown in Exhibit D and include contingencies, supervision for the administrative oversight process including necessary approvals, and construction management for onsite management of ongoing capital construction.

IV. DEVELOPMENT PROJECTIONS

The Developer is targeting several prominent home-builders as candidates to purchase individual parcels within the Districts' boundaries. The absorption rates for the development are incorporated into the Financing Plan attached hereto.

V. PROPOSED AGREEMENTS

A. Intergovernmental Agreements Between or Among the Districts

As noted in this Service Plan, one or more intergovernmental agreements are expected to be entered into between and/or among the Districts which are designed to facilitate ensuring that the public improvements described within this Service Plan are designed, acquired, installed, constructed, financed, operated, and/or maintained in the manner and at the time contemplated herein. The relationship between the Service District and the Financing Districts, including the means for designing, acquiring, installing, constructing, financing, operating, and/or maintaining the public improvements and services needed to serve the development, will be established by means of these intergovernmental agreements. The intergovernmental agreements contemplated herein will establish procedures and standards for the approval of the design of public improvements, transfer of funds between the Districts, and operation and maintenance of the public improvements. These intergovernmental agreements will also provide for coordinated administration of management services for the Districts.

B. Additional Intergovernmental Agreements and Agreements with Private Entities

To the extent practicable, the Districts may enter into additional intergovernmental and private agreements to better ensure long-term provision and effective management of the public improvements and services. Agreements may also be executed with property owners' associations and other service providers. Any additional intergovernmental agreements are authorized pursuant to Colorado Constitution, Article XIV, § 18 (2)(a) and § 29-1-201, *et seq.*, C.R.S.

VI. OPERATION AND MAINTENANCE COSTS

Estimated costs for operation and maintenance functions are presented in the Financing Plan at Exhibit E.

VII. FINANCIAL PLAN

The Financing Plan demonstrates one method that might be used by the Districts to finance the cost of public improvements. Due to the support expected to be received from the Developer, the Financing Plan demonstrates that the cost of public improvements described herein can be provided with reasonable mill levies assuming reasonable increases in assessed valuation and assuming the rate of build-out estimated in the Financing Plan.

A. Debt Limitation

To enable the Districts to design, acquire, install, construct, finance, operate, and/or maintain the public improvements contemplated by this Service Plan, it is anticipated that the Districts will incur Debt. For purposes of this Service Plan, "Debt" shall be defined to mean principal on general obligation or revenue bonds, notes, contracts, agreements, certificates of indebtedness, interim certificates or receipts, other multiple fiscal year obligations, including, but not limited to, loans from financial institutions, or other documents or instruments evidencing loans or advances to the Districts. The maximum amount of Debt which may be incurred by the Districts collectively shall be \$22,000,000 ("Debt Limit"). The Debt Limit may be increased with the prior approval of the City Council as evidenced by a resolution after a public hearing thereon, and any attempted issuance of Debt in violation of this provision shall be deemed to be a material departure from the Service Plan. Debt may be restructured to accomplish a refunding or reissuance, provided the principal amount of Debt does not exceed the Debt Limit set forth above. So as to avoid the "double-counting" of any Debt, any refunded Debt shall not count against the Debt Limit, but all Debt issued for the purpose of refunding existing Debt shall count against the Debt Limit. Obligations of the Districts set forth in the intergovernmental agreements among the Districts discussed herein will not count against the Debt Limit. The Debt Limit shall not be increased unless first approved by the City Council and as permitted by statute. Any change in Debt Limit shall be considered a material modification of the Service Plan.

B. Approval of Debt Issuance

It is currently anticipated that the Financing Districts will issue Debt in amounts sufficient to permit the Service District to construct all or a portion of the needed public improvements. Alternatively, the Service District may issue revenue bonds with repayment to come from the ad valorem taxes collected by the Finance Districts, and/or any other legally available source, to permit construction of the needed public improvements. The timing of issuance of Debt may be adjusted from time to time to meet development requirements. Despite the amount of Debt authorization voted by the Districts' electorate, the Debt Limit serves as the ultimate cap for the Debt the Districts shall incur. Prior to the issuance of any Debt, the Districts must provide the City Attorney with an opinion prepared by nationally recognized bond counsel

evidencing that the Districts have complied with all Service Plan requirements relating to such Debt. The Districts shall not issue any Debt after February 2, 2036, except with the prior approval of the City Council as evidenced by a resolution after a public hearing thereon, and any attempted issuance in violation of this provision shall be deemed to be a material departure from the Service Plan. Developer advances for operations or capital costs, including capital loans, shall not accrue interest. All Debt instruments and any repayment obligations to the Developer entered into by the Districts shall provide that the Districts' obligations thereunder shall be discharged forty (40) years after the date such Debt is issued or such obligation is entered into regardless of whether the obligations are paid in full. Regardless of the date of issuance, all Debt of the Districts must be repaid within fifty (50) years of the original date of the City Council's approval of this Service Plan. Any obligations outstanding fifty (50) years from the original date of the City Council's approval of this Service Plan will be extinguished.

C. Identification of District Revenue

All Debt issued by the Districts may be payable from any and all legally available revenues of the Districts, including general ad valorem taxes to be imposed upon all taxable property within the Districts, subject to the following limitations:

1. The maximum mill levy the Districts may impose for the payment of principal of and interest on Debt shall be 50 mills ("the "Debt Mill Levy Cap"). The Districts also may impose a mill levy to defray operations and maintenance expenses of the Districts, provided that the debt mill levy and operations and maintenance mill levy together shall not exceed 65 mills (the "Total Mill Levy Cap"). The Total Mill Levy Cap shall be subject to adjustment if the laws of the state change with respect to the assessment of property for taxation purposes, the ratio for determining assessed valuation changes, or other similar changes occur. In any of these events, the Total Mill Levy Cap shall be automatically adjusted so that the collective tax liability of property owners within the Districts neither increases nor decreases as a result of any such changes, thereby maintaining a constant level of tax receipts of the Districts and overall tax payments from property owners. The Districts shall not impose or attempt to impose a mill levy on any of the property conveyed or dedicated to the City as provided in this Service Plan. Except as otherwise provided in this Section VII.C.1, the Total Mill Levy Cap shall not be increased unless first approved by the City Council and as permitted by statute. Any such increase in the Total Mill Levy Cap shall be considered a material modification of the Service Plan.

2. Any Debt issued by the Districts must be issued in compliance with the requirements of § 32-1-1101(6), C.R.S., as amended. The Districts anticipate issuing Debt that is exempt from registration by virtue of being credit enhanced or issued exclusively to "accredited investors" as such term is defined under §§ 3(b) and (4)(2) of the Federal Securities Act of 1933. This will ensure that appropriate development risk associated with current and future development within the development remains with the Developer until such time as the assessed valuation within the Districts is sufficient to support the Debt service requirements of the Districts with the imposition of the maximum allowable Total Mill Levy Cap. It is anticipated that the initial funding for both capital and ongoing administrative requirements of the Districts will be provided by the Developer in the form of advances in exchange for bonds or for

promissory notes, short-term reimbursement agreements, or other acceptable agreements, which will provide for repayment to the Developer from Debt proceeds or other legally available sources of revenue, and the refinancing of the same shall not require prior City approval.

3. In addition to revenues from the Districts' mill levies and revenues described in Section VII.C.4 below, the Districts may receive revenue from specific ownership taxes, Developer advances, interest income, oversizing and reimbursement agreements with the City or other entities, and any other legally permissible sources.

4. In the event the Developer enters into an oversizing and/or reimbursement agreement with the City, the following shall apply:

a. If the Districts purchase from the Developer public improvements designed, acquired, installed, constructed, or financed pursuant to an oversizing and/or reimbursement agreement with the City, and the Developer has obtained reimbursement from the City at the time of the Districts' purchase, the purchase price of the public improvements to be paid by the Districts shall be the costs of the public improvements as certified by the Districts' engineer less the amount of the reimbursement received by the Developer; or

b. If the Districts purchase from the Developer public improvements designed, acquired, installed, constructed, or financed pursuant to an oversizing and/or reimbursement agreement with the City, and the Developer has not yet obtained reimbursement from the City at the time of the Districts' purchase, the purchase price of the public improvements to be paid by the Districts shall be the costs of the public improvements as certified by the Districts' engineer, and the Developer shall immediately assign to the Districts any and all rights to reimbursement from the City for said public improvements.

c. The District shall have the power and authority, but not the obligation, to impose fees, rates, tolls, penalties, or charges for services, programs, or facilities furnished by the Districts as authorized by § 32-1-1001(1)(j), C.R.S.

The Districts shall have the authority to use all available revenues authorized by the Service Plan in any legally permissible manner.

D. Security for Debt

The Districts shall not pledge any revenue or property or other assets of the City as security for the indebtedness described and contemplated herein.

E. Filings with City and Quinquennial Review

Pursuant to § 32-1-1101.5, C.R.S., and at the City's request, the Districts shall submit an application for a quinquennial finding of reasonable diligence in every fifth calendar year after the calendar year in which the Districts' ballot issue to incur general obligation indebtedness was approved by its electors. In the event that the City determines that a public hearing is necessary on such application, such hearing shall be held in accordance with § 32-1-1101.5(2)(a), C.R.S.,

and a determination for continuation of the authority of the boards of the Districts to issue any remaining authorized general obligation debt shall be made at that time. At the City's sole discretion, the Districts shall pay an administrative fee for any review required by the City under this Section.

F. Other Financial Information

The balance of the information contained in this Section VII is preliminary in nature. Upon approval of this Service Plan, the Districts will continue to develop and refine cost estimates contained herein and prepare for Debt issuances. All construction cost estimates assume construction to applicable local, state, and/or federal requirements.

In accordance with Section VII.C.4 above, in addition to ad valorem property taxes, and in order to offset the expenses of the anticipated construction as well as operations and maintenance, the Districts will also rely upon various other revenue sources authorized by law. These will include the power to assess fees, rates, tolls, penalties, or charges as provided in § 32-1-1001(1)(j), C.R.S., as amended from time to time. It is anticipated that a system of user charges may also be established for any recreation public improvements and other public improvements not owned and operated by the City. The Districts shall not be required to obtain any additional City Council approval prior to assessing any fees, rates, tolls, penalties, or charges authorized pursuant to § 32-1-1001(1)(j), C.R.S., as the same may be amended from time to time.

The Financing Plan does not project any significant accumulation of fund balances which might represent receipt of revenues in excess of expenditures under Colorado Constitution, Article X, § 20 ("TABOR"). To the extent annual District revenues exceed expenditures in this manner, the Districts will comply with the provisions of TABOR and either refund the excess or obtain voter approval to retain such amounts. Initial spending and revenue limits of the Districts, as well as mill levies, will be established by elections which satisfy TABOR requirements.

The estimated costs of the public improvements permitted to be designed, acquired, installed, constructed, and/or financed by the Districts, including the costs of engineering services, legal services, administrative services, initial proposed indebtedness, and other major expenses related to the public improvements to be designed, acquired, installed, constructed, and/or financed, are set forth in Exhibit D of this Service Plan. The maximum net effective interest rate on Debt shall be twelve percent (12%). The proposed maximum underwriting discount shall be five percent (5%). The Districts' Debt, when issued, shall mature not more than 40 years from date of issuance. The estimated costs of the organization of the Districts, including legal, engineering, administrative, and financial services, are expected to be approximately \$107,500. Organizational costs will be reimbursed to the Developer by the Districts out of their initial revenue sources including Debt issue proceeds.

G. Enterprises

The Districts' boards of directors may not set up enterprises to manage, fund, or operate such public improvements, services, or programs as may qualify for enterprise status using the

procedures and criteria provided by TABOR without the prior written consent of the City. To the extent provided by law, any enterprise created by the Districts will remain under the control of the boards of directors of the Districts. Additionally, the Districts and the boards may not establish 63-20 corporations without the prior written consent of the City.

II. Conservation Trust Fund

The District shall claim no entitlement to funds from the Conservation Trust Fund, the Great Outdoor Colorado Fund, or any other grant moneys for which the City may be eligible, without the prior written consent of the City.

I. Elections; Other Requirements

All elections will be conducted as provided by the Uniform Election Code of 1992 (as amended), including the Local Government Election Code, §§ 1-13.5-101, *et seq.*, C.R.S., Colorado Constitution Article XI, § 6, and TABOR. The election questions may include TABOR ballot issues and questions. Thus, the ballot may deal with the following topics as well as any other topics authorized by law (in several questions, but not necessarily using the exact divisions shown here):

1. Approval of new taxes,
2. Approval of maximum operational mill levies,
3. Approval of Debt limits,
4. Approval of property tax revenue limitations, and
5. Approval of total revenue limits.

Ballot issues may be consolidated as approved in court orders. Future elections to comply with TABOR are anticipated and may be held as determined by the elected boards of directors of the Districts.

VIII. ANNUAL REPORT

A. General

The Districts shall be responsible for submitting an annual report to the City not later than March 1 of each calendar year that the Districts are in existence.

B. Reporting of Significant Events

The annual report required by this Section VIII shall include information as to any of the following events that occurred during the preceding calendar year:

- (1) Boundary changes made or proposed.
- (2) Intergovernmental agreements entered into or proposed to be entered into.
- (3) Changes or proposed changes in the Districts' policies.
- (4) Changes or proposed changes in the Districts' operations.
- (5) Any changes in the financial status of the Districts, including revenue projections or operating costs.
- (6) A summary of any litigation involving the Districts.
- (7) Proposed plans for the year immediately following the year summarized in the annual report.
- (8) Construction contracts entered into.
- (9) Status of the Districts' public improvement construction schedule.
- (10) A list of all public improvements constructed by the Districts that have been dedicated to and accepted by the City.
- (11) If requested by the City, copies of minutes of all meetings of the Districts' boards of directors.

C. Summary of Financial Information

In addition, the annual report shall include a summary of the following information:

- (1) Assessed value of taxable property within the Districts' boundaries.
- (2) Total acreage of property within the Districts' boundaries.
- (3) Audited financial statements of the Districts, to the extent audit financial statements are required by state law.
- (4) Annual budget of the Districts.
- (5) Resolutions regarding issuance of Debt or other financial obligations, including relevant financing documents, credit agreements, and official statements.
- (6) The Districts' Debt (stated separately for each class of Debt).
- (7) The Districts' Debt service (stated separately for each class of Debt).
- (8) The Districts' tax revenue.
- (9) Other revenues of the Districts.
- (10) The Districts' public improvements expenditures.
- (11) Other expenditures of the Districts.

IX. CONCLUSIONS

It is submitted that this Consolidated Service Plan for Lee Farm Metropolitan Districts Nos. 1, 2, 3, and 4, as required by § 32-1-203(2), C.R.S., establishes that:

1. There is sufficient existing and projected need for organized service in the area to be served by the Districts;
2. The existing service in the area to be served by the Districts is inadequate for present and projected needs;

3. The Districts are capable of providing economical and sufficient service to the area within their boundaries;

4. The area included in the Districts will have the financial ability to discharge the proposed indebtedness on a reasonable basis;

5. Adequate service is not, and will not be, available to the area through the City, or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;

6. The facility and service standards of the Districts are compatible with the facility and service standards of the City within which the Districts are to be located;

7. The proposal is in substantial compliance with a master plan adopted by the City pursuant to § 31-23-206, C.R.S.;

8. The proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area; and

9. The creation of the Districts is in the best interests of the area proposed to be served.

Therefore, it is requested that the Loveland City Council, which has jurisdiction to approve this Service Plan by virtue of §§ 32-1-204.5, *et seq.*, C.R.S., as amended, adopt a resolution approving this "Consolidated Service Plan for Lee Farm Metropolitan Districts Nos. 1, 2, 3, and 4" as submitted.

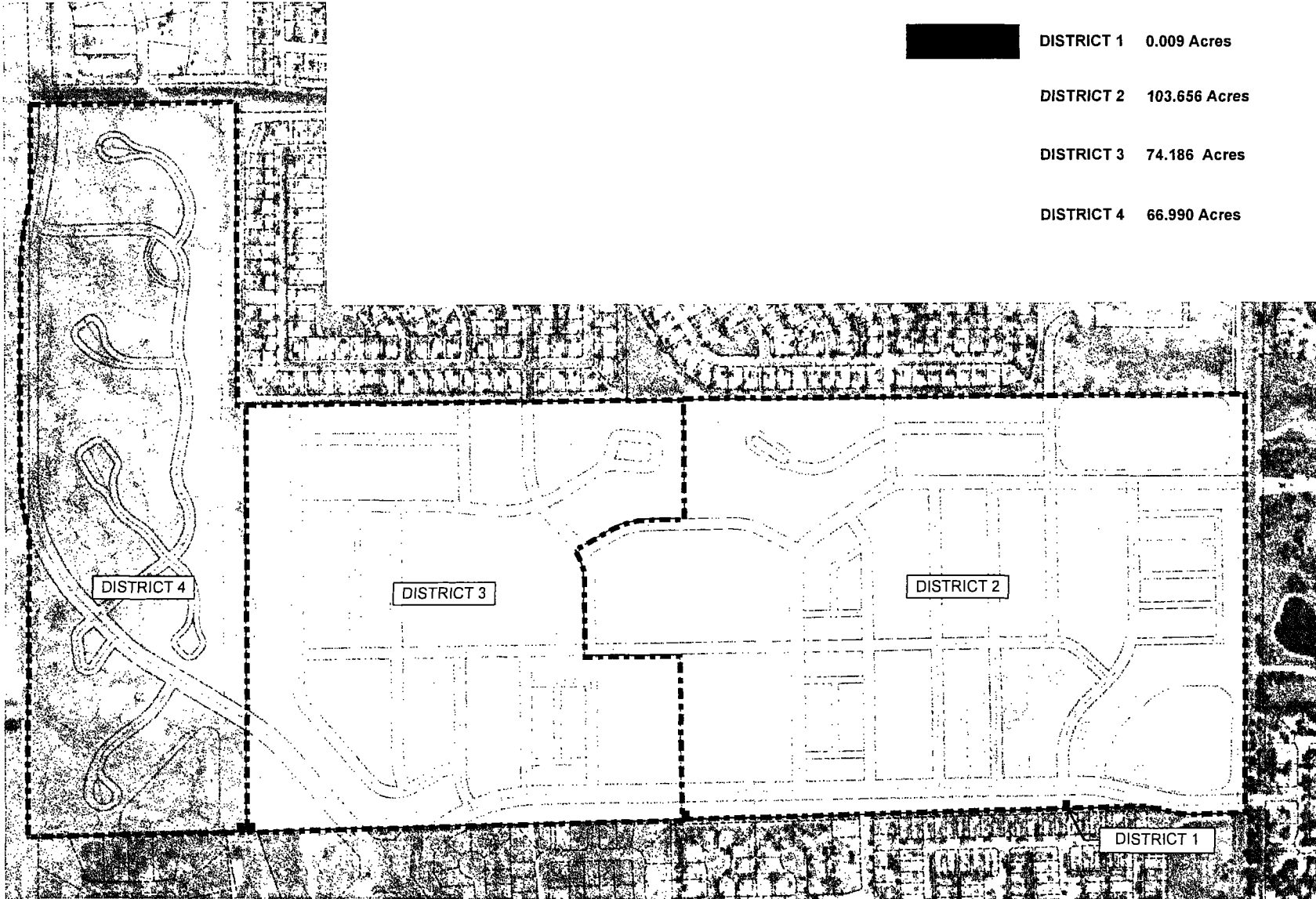
Respectfully submitted,

By:



Alan D. Pogue
Icenogle Seaver Pogue, P.C.
Counsel to Proponents of the Districts

EXHIBIT A
Map of Districts



- DISTRICT 1** 0.009 Acres
- DISTRICT 2** 103.656 Acres
- DISTRICT 3** 74.186 Acres
- DISTRICT 4** 66.990 Acres

EXHIBIT B
Legal Descriptions of the Districts

DISTRICT 1

DESCRIPTION

A parcel of land in Section 4, Township 5 North, Range 69 West, of the Sixth Principal Meridian, in the City of Loveland, County of Larimer, State of Colorado, said parcel being more particularly described as follows:

Basis of Bearings: BEARINGS ARE BASED ON THE WEST LINE OF THE NORTHWEST ONE-QUARTER OF SECTION 4, TOWNSHIP 5 NORTH, RANGE 69 WEST OF THE 6TH P.M., SAID TO BEAR NORTH 00°09'00" EAST, A DISTANCE OF 2,698.81 FEET FROM THE WEST ONE-QUARTER CORNER OF SECTION 4 BEING MONUMENTED BY A 2.5" ALUMINUM CAP STAMPED "T5N R69W, E ¼ + S5, 2002, PLS 20676" TO THE CALCULATED POSITION OF THE NORTHWEST CORNER OF SECTION 4 AS SHOWN ON THE LEE FARM ADDITION (ANNEXATION) PREPARED BY INTERMILL LAND SURVEYING, INC. DATED 05/09/06 AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND BY ORDINANCE NO. 5063, PASSED ON SECOND READING ON THE 9TH DAY OF MAY, 2006.

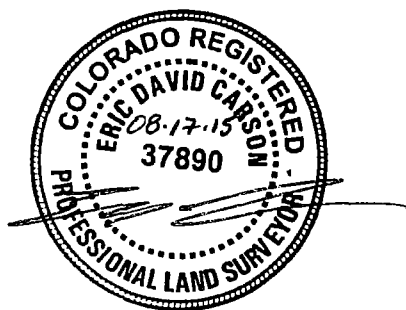
CWC CONSULTING GROUP, INC. RELIED SOLELY ON THE LEE FARM ADDITION (ANNEXATION) PREPARED BY INTERMILL LAND SURVEYING, INC. DATED 05/09/06 AND SIGNED 05/09/06 BY ROBERT GEORGE PERSICHITTE.

Commencing (P.O.C.) at said West One-Quarter Corner of Section 4; Thence South 00°08'28" West along the West Line of the Southwest One-Quarter of said Section 4, a distance of 488.64 Feet to the North Line of Tract A of Vanguard – Famleco Second Addition; Thence North 88°20'18" East along said North Line of Tract A of Vanguard – Famleco Second Addition and along the North Line of Tract C of Vanguard – Famleco Eighth Subdivision and along the North Line of Vanguard-Famleco Ninth Subdivision, a distance of 4,345.11 Feet to the **POINT OF BEGINNING (P.O.B.)**;

Thence North 01°39'42" West, a distance of 20.00 Feet; Thence North 88°20'18" East, a distance of 20.00 Feet; Thence South 01°39'42" East, a distance of 20.00 Feet to said North Line of Vanguard – Famleco Ninth Subdivision; Thence South 88°20'18" West along said North Line of Vanguard – Famleco Ninth Subdivision, a distance of 20.00 Feet to the **POINT OF BEGINNING (P.O.B.)**.

The above described parcel description contains 400 Square Feet or 0.009 Acre, more or less.

I hereby certify that the above parcel description was prepared under my direct supervision.



Eric D. Carson, PLS

Prepared For and on Behalf of
CWC Consulting Group Inc.
210 Front Street
Castle Rock, Colorado 80104
Phone: (303) 395-2700
Direct: (303) 980-9104
Email: ericc@cwc-consulting.com

District 1
North: 6878.1767' East: 9053.4409'

Segment #1 : Line

Course: N01°39'42"W Length: 20.00'
North: 6898.1683' East: 9052.8609'

Segment #2 : Line

Course: N88°20'18"E Length: 20.00'
North: 6898.7482' East: 9072.8525'

Segment #3 : Line

Course: S01°39'42"E Length: 20.00'
North: 6878.7566' East: 9073.4325'

Segment #4 : Line

Course: S88°20'18"W Length: 20.00'
North: 6878.1767' East: 9053.4409'

Perimeter: 80.00' Area: 400.00 Sq. Ft.
Error Closure: 0.0000 Course: N00°00'00"E
Error North: 0.00000 East: 0.00000

Precision 1: 80000000.00

DISTRICT 2

DESCRIPTION

A parcel of land in Section 4, Township 5 North, Range 69 West, of the Sixth Principal Meridian, in the City of Loveland, County of Larimer, State of Colorado, said parcel being more particularly described as follows:

Basis of Bearings: BEARINGS ARE BASED ON THE WEST LINE OF THE NORTHWEST ONE-QUARTER OF SECTION 4, TOWNSHIP 5 NORTH, RANGE 69 WEST OF THE 6TH P.M., SAID TO BEAR NORTH 00°09'00" EAST, A DISTANCE OF 2,698.81 FEET FROM THE WEST ONE-QUARTER CORNER OF SECTION 4 BEING MONUMENTED BY A 2.5" ALUMINUM CAP STAMPED "T5N R69W, E ¼ + S5, 2002, PLS 20676" TO THE CALCULATED POSITION OF THE NORTHWEST CORNER OF SECTION 4 AS SHOWN ON THE LEE FARM ADDITION (ANNEXATION) PREPARED BY INTERMILL LAND SURVEYING, INC. DATED 05/09/06 AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND BY ORDINANCE NO. 5063, PASSED ON SECOND READING ON THE 9TH DAY OF MAY, 2006.

CWC CONSULTING GROUP, INC. RELIED SOLELY ON THE LEE FARM ADDITION (ANNEXATION) PREPARED BY INTERMILL LAND SURVEYING, INC. DATED 05/09/06 AND SIGNED 05/09/06 BY ROBERT GEORGE PERSICHTTE.

Commencing at said West One-Quarter Corner of Section 4; Thence South 00°08'28" West along the West Line of the Southwest One-Quarter of said Section 4, a distance of 488.64 Feet to the North Line of Tract A of Vanguard – Famleco Second Addition; Thence North 88°20'18" East along said North Line of Tract A of Vanguard – Famleco Second Addition and along the North Line of Tract C of Vanguard – Famleco Eighth Subdivision and along the North Line of Vanguard-Famleco Ninth Subdivision, a distance of 2,862.13 Feet to the **POINT OF BEGINNING**;

Thence North 01°39'42" West, a distance of 714.36 Feet;

Thence South 89°00'22" West, a distance of 432.44 Feet;

Thence North 00°59'38" West, a distance of 354.44 Feet to a point of curve to the left having a radius of 175.00 Feet and a central angle of 36°38'13";

Thence northerly along the arc a distance of 111.90 Feet;

Thence North 60°34'57" East, a distance of 186.39 Feet to a point of curve to the right having a radius of 325.00 Feet and a central angle of 28°25'25";

Thence easterly along the arc a distance of 161.23 Feet;

Thence North 89°00'22" East, a distance of 157.77 Feet;

Thence North 00°39'18" West, a distance of 515.88 Feet to the South Line of Buck First Subdivision;

Thence North 89°20'42" East along said South Line of Buck First Subdivision, a distance of 2,386.31 Feet to the West Line of the 10-Foot Right-of-Way Dedication for North Wilson Avenue as recorded at Reception No. 2006-0030651;

Thence South 00°00'27" West along said West Line of the 10-Foot Right-of-Way Dedication, a distance of 1,356.49 Feet;

Thence South 00°01'10" West continuing along said 10-Foot Right-of-Way Dedication, a distance of 419.12 Feet to the North Line of Vanguard-Famleco Ninth Subdivision;

Thence South 88°20'18" West along said North Line of Vanguard-Famleco Ninth Subdivision, a distance of 856.44 Feet;

Thence North 01°39'42" West, a distance of 20.00 Feet;

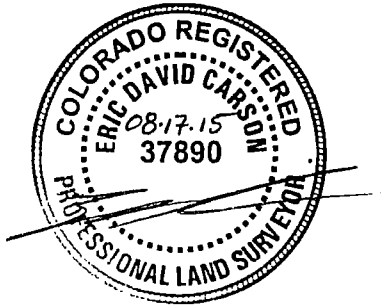
Thence South 88°20'18" West, a distance of 20.00 Feet;

Thence South 01°39'42" East, a distance of 20.00 Feet to said North Line of Vanguard-Famleco Ninth Subdivision;

Thence South 88°20'18" West along said North Line of Vanguard-Famleco Ninth Subdivision, a distance of 1482.98 Feet to the **POINT OF BEGINNING**.

The above described parcel description contains 4,515,264 Square Feet or 103.656 Acres, more or less.

I hereby certify that the above parcel description was prepared under my direct supervision.



Eric D. Carson, PLS

Prepared For and on Behalf of
CWC Consulting Group Inc.
210 Front Street
Castle Rock, Colorado 80104
Phone: (303) 395-2700
Direct: (303) 980-9104
Email: ericc@cwc-consulting.com

District 2

North: 6835.1739' East: 7571.0823'

Segment #1 : Line

Course: N01°39'42"W Length: 714.36'

North: 7549.2335' East: 7550.3677'

Segment #2 : Line

Course: S89°00'22"W Length: 432.44'

North: 7541.7324' East: 7117.9927'

Segment #3 : Line

Course: N00°59'38"W Length: 354.44'

North: 7896.1191' East: 7111.8447'

Segment #4 : Curve

Length: 111.90' Radius: 175.00'; Delta: 036°38'13" Tangent: 57.94'

Chord: 110.00' Course: N19°18'44"W; Course In: S89°00'22"W Course Out: N52°22'10"E

RP North: 7893.0836' East: 6936.8710'; End North: 7999.9329' East: 7075.4647'

Segment #5 : Line

Course: N60°34'57"E Length: 186.39'

North: 8091.4821' East: 7237.8223'

Segment #6 : Curve

Length: 161.23' Radius: 325.00'; Delta: 028°25'25" Tangent: 82.31'

Chord: 159.58' Course: N74°47'40"E; Course In: S29°25'03"E Course Out: N00°59'38"W

RP North: 7808.3863' East: 7397.4525'; End North: 8133.3374' East: 7391.8151'

Segment #7 : Line

Course: N89°00'22"E Length: 157.77'

North: 8136.0741' East: 7549.5614'

Segment #8 : Line

Course: N00°39'18"W Length: 515.88'

North: 8651.9204' East: 7543.6640'

Segment #9 : Line

Course: N89°20'42"E Length: 2386.31'

North: 8679.1999' East: 9929.8181'

Segment #10 : Line

Course: S00°00'27"W Length: 1356.49'

North: 7322.7099' East: 9929.6405'

Segment #11 : Line

Course: S00°01'10"W Length: 419.12'

North: 6903.5899' East: 9929.4983'

Segment #12 : Line

Course: S88°20'18"W Length: 856.44'

North: 6878.7553' East: 9073.4185'

Segment #13 : Line

Course: N01°39'42"W Length: 20.00'

North: 6898.7469' East: 9072.8385'

Segment #14 : Line

Course: S88°20'18"W Length: 20.00'

North: 6898.1669' East: 9052.8469'

Segment #15 : Line

Course: S01°39'42"E Length: 20.00'

North: 6878.1753' East: 9053.4269'

Segment #16 : Line

Course: S88°20'18"W Length: 1482.98'

North: 6835.1726' East: 7571.0705'

Perimeter: 9195.74' Area: 4515264.46 Sq. Ft.

Error Closure: 0.0119 Course: S84°08'36"W

Error North: -0.00121 East: -0.01181

Precision 1: 772752.10

DISTRICT 3

DESCRIPTION

A parcel of land in Section 4, Township 5 North, Range 69 West, of the Sixth Principal Meridian, in the City of Loveland, County of Larimer, State of Colorado, said parcel being more particularly described as follows:

Basis of Bearings: BEARINGS ARE BASED ON THE WEST LINE OF THE NORTHWEST ONE-QUARTER OF SECTION 4, TOWNSHIP 5 NORTH, RANGE 69 WEST OF THE 6TH P.M., SAID TO BEAR NORTH 00°09'00" EAST, A DISTANCE OF 2,698.81 FEET FROM THE WEST ONE-QUARTER CORNER OF SECTION 4 BEING MONUMENTED BY A 2.5" ALUMINUM CAP STAMPED "T5N R69W, E ¼ + S5, 2002, PLS 20676" TO THE CALCULATED POSITION OF THE NORTHWEST CORNER OF SECTION 4 AS SHOWN ON THE LEE FARM ADDITION (ANNEXATION) PREPARED BY INTERMILL LAND SURVEYING, INC. DATED 05/09/06 AND APPROVED BY THE CITY COUNCEL OF THE CITY OF LOVELAND BY ORDINANCE NO. 5063, PASSED ON SECOND READING ON THE 9TH DAY OF MAY, 2006.

CWC CONSULTING GROUP, INC. RELIED SOLELY ON THE LEE FARM ADDITION (ANNEXATION) PREPARED BY INTERMILL LAND SURVEYING, INC. DATED 05/09/06 AND SIGNED 05/09/06 BY ROBERT GEORGE PERSICHTTE.

Commencing at said West One-Quarter Corner of Section 4; Thence South 00°08'28" West along the West Line of the Southwest One-Quarter of said Section 4, a distance of 488.64 Feet to the North Line of Tract A of Vanguard – Famleco Second Addition; Thence North 88°20'18" East along said North Line of Tract A of Vanguard – Famleco Second Addition, a distance of 954.81 Feet to the Southerly prolongation of the East Line of the Grant of Easement recorded in Book 2053 at Page 383, also being the **POINT OF BEGINNING**;

Thence North 00°28'23" West along said Southerly prolongation of the East Line of the Grant of Easement and along the East Line of said Grant of Easement, a distance of 1,850.46 Feet to the South Line of Tract A Buck Third Subdivision;

Thence North 89°20'42" East along said South Line of Tract A Buck Third Subdivision and the South Line of Buck Second Subdivision and the South Line of Buck First Subdivision, a distance of 1,894.51 Feet;

Thence South 00°39'18" East, a distance of 515.88 Feet;

Thence South 89°00'22" West, a distance of 157.77 Feet to a point of curve to the left having a radius of 325.00 Feet and a central angle of 28°25'25";

Thence westerly along the arc a distance of 161.23 Feet;

Thence South 60°34'57" West, a distance of 186.39 Feet to the point of a non-tangent curve to the right, of which the radius point lies South 52°22'09" West, a radial distance of 175.00 Feet;

Thence southerly along the arc, through a central angle of 36°38'13", a distance of 111.90 Feet;

Thence South 00°59'38" East, a distance of 354.44 Feet;

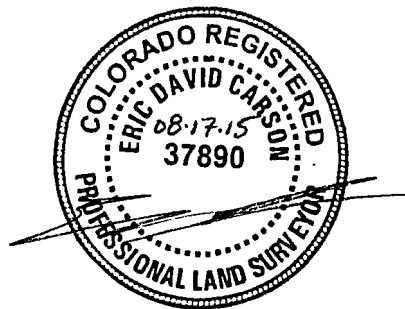
Thence North 89°00'22" East, a distance of 432.44 Feet;

Thence South 01°39'42" East, a distance of 714.36 Feet to the North Line of Vanguard-Famleco Ninth Subdivision;

Thence South 88°20'18" West along said North Line of Vanguard-Famleco Ninth Subdivision and along the North Line of Tract C of Vanguard - Famleco Eighth Subdivision and along the North Line of Tract A of Vanguard - Famleco Second Addition, a distance of 1,907.32 Feet to the **POINT OF BEGINNING**.

The above described parcel description contains 3,231,533 Square Feet or 74.186 Acres, more or less.

I hereby certify that the above parcel description was prepared under my direct supervision.



Eric D. Carson, PLS

Prepared For and on Behalf of
CWC Consulting Group Inc.
210 Front Street
Castle Rock, Colorado 80104
Phone: (303) 395-2700
Direct: (303) 980-9104
Email: ericc@cwc-consulting.com

District 3

North: 6779.8661' East: 5664.5601'

Segment #1 : Line

Course: N00°28'23"W Length: 1850.46'

North: 8630.2631' East: 5649.2822'

Segment #2 : Line

Course: N89°20'42"E Length: 1894.51'

North: 8651.9205' East: 7543.6684'

Segment #3 : Line

Course: S00°39'18"E Length: 515.88'

North: 8136.0742' East: 7549.5657'

Segment #4 : Line

Course: S89°00'22"W Length: 157.77'

North: 8133.3375' East: 7391.8195'

Segment #5 : Curve

Length: 161.23' Radius: 325.00'; Delta: 028°25'25" Tangent: 82.31'

Chord: 159.58' Course: S74°47'40"W; Course In: S00°59'38"E Course Out: N29°25'03"W

RP North: 7808.3864' East: 7397.4568'; End North: 8091.4822' East: 7237.8266'

Segment #6 : Line

Course: S60°34'57"W Length: 186.39'

North: 7999.9330' East: 7075.4691'

Segment #7 : Curve

Length: 111.90' Radius: 175.00'; Delta: 036°38'13" Tangent: 57.94'

Chord: 110.00' Course: S19°18'44"E; Course In: S52°22'10"W Course Out: N89°00'22"E

RP North: 7893.0837' East: 6936.8753'; End North: 7896.1192' East: 7111.8490'

Segment #8 : Line

Course: S00°59'38"E Length: 354.44'

North: 7541.7325' East: 7117.9970'

Segment #9 : Line

Course: N89°00'22"E Length: 432.44'

North: 7549.2335' East: 7550.3720'

Segment #10 : Line

Course: S01°39'42"E Length: 714.36'

North: 6835.1739' East: 7571.0866'

Segment #11 : Line

Course: S88°20'18"W Length: 1907.32'

North: 6779.8664' East: 5664.5687'

Perimeter: 8286.69' Area: 3231533.34 Sq. Ft.

Error Closure: 0.0086 Course: N88°00'31"E

Error North: 0.00030 East: 0.00860; Precision 1: 963569.77

DISTRICT 4

DESCRIPTION

A parcel of land in Section 4, Township 5 North, Range 69 West, of the Sixth Principal Meridian, in the City of Loveland, County of Larimer, State of Colorado, said parcel being more particularly described as follows:

Basis of Bearings: BEARINGS ARE BASED ON THE WEST LINE OF THE NORTHWEST ONE-QUARTER OF SECTION 4, TOWNSHIP 5 NORTH, RANGE 69 WEST OF THE 6TH P.M., SAID TO BEAR NORTH 00°09'00" EAST, A DISTANCE OF 2,698.81 FEET FROM THE WEST ONE-QUARTER CORNER OF SECTION 4 BEING MONUMENTED BY A 2.5" ALUMINUM CAP STAMPED "T5N R69W, E ¼ + S5, 2002, PLS 20676" TO THE CALCULATED POSITION OF THE NORTHWEST CORNER OF SECTION 4 AS SHOWN ON THE LEE FARM ADDITION (ANNEXATION) PREPARED BY INTERMILL LAND SURVEYING, INC. DATED 05/09/06 AND APPROVED BY THE CITY COUNCEL OF THE CITY OF LOVELAND BY ORDINANCE NO. 5063, PASSED ON SECOND READING ON THE 9TH DAY OF MAY, 2006.

CWC CONSULTING GROUP, INC. RELIED SOLELY ON THE LEE FARM ADDITION (ANNEXATION) PREPARED BY INTERMILL LAND SURVEYING, INC. DATED 05/09/06 AND SIGNED 05/09/06 BY ROBERT GEORGE PERSICHTTE.

Beginning at said West One-Quarter Corner of Section 4;

Thence North 00°09'00" East along the West Line of the Northwest One-Quarter of said Section 4, a distance of 2,679.81 Feet to the South Line of the 19-Foot Right-of-Way Dedication for West 43rd Street as recorded at Reception No. 2006-0030652;

Thence North 89°20'42" East along said South Line of the 19-Foot Right-of-Way Dedication for West 43rd Street, a distance of 891.97 Feet to the Northerly prolongation of the West Line of Tract A of Buck Third Subdivision;

Thence South 00°00'27" West along said Northerly prolongation of the West Line of Tract A of Buck Third Subdivision and the West Line of Tract A of Buck Third Subdivision, a distance of 1,301.00 Feet to the South Line of said Tract A of Buck Third Subdivision;

Thence North 89°20'42" East along said South Line of Tract A of Buck Third Subdivision, a distance of 39.17 Feet to the East Line of the Grant of Easement recorded in Book 2053 at Page 383;

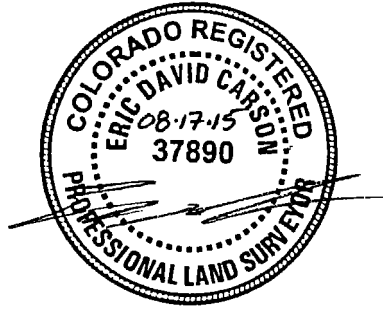
Thence South 00°28'23" East along said East Line of the Grant of Easement and along the Southerly prolongation of said East Line of the Grant of Easement, a distance of 1,850.46 Feet to the North Line of Tract A of Vanguard - Famleco Second Addition;

Thence South 88°20'18" West along said North Line Tract A of Vanguard - Famleco Second Addition, a distance of 954.81 Feet to the West Line of the Southwest One-Quarter of said Section 4;

Thence North 00°08'28" East along said West Line of the Southwest One-Quarter of Section 4, a distance of 488.64 Feet to the **POINT OF BEGINNING**.

The above described parcel description contains 2,918,097 Square Feet or 66.990 Acres, more or less.

I hereby certify that the above parcel description was prepared under my direct supervision.



Eric D. Carson, PLS

Prepared For and on Behalf of
CWC Consulting Group Inc.
210 Front Street
Castle Rock, Colorado 80104
Phone: (303) 395-2700
Direct: (303) 980-9104
Email: ericc@cwc-consulting.com

District 4
North: 7240.8170' East: 4711.3580'

Segment #1 : Line

Course: N00°09'00"E Length: 2679.81'
North: 9920.6178' East: 4718.3737'

Segment #2 : Line

Course: N89°20'42"E Length: 891.97'
North: 9930.8145' East: 5610.2854'

Segment #3 : Line

Course: S00°00'27"W Length: 1301.00'
North: 8629.8145' East: 5610.1151'

Segment #4 : Line

Course: N89°20'42"E Length: 39.17'
North: 8630.2623' East: 5649.2826'

Segment #5 : Line

Course: S00°28'23"E Length: 1850.46'
North: 6779.8654' East: 5664.5605'

Segment #6 : Line

Course: S88°20'18"W Length: 954.81'
North: 6752.1783' East: 4710.1520'

Segment #7 : Line

Course: N00°08'28"E Length: 488.64'
North: 7240.8168' East: 4711.3555'

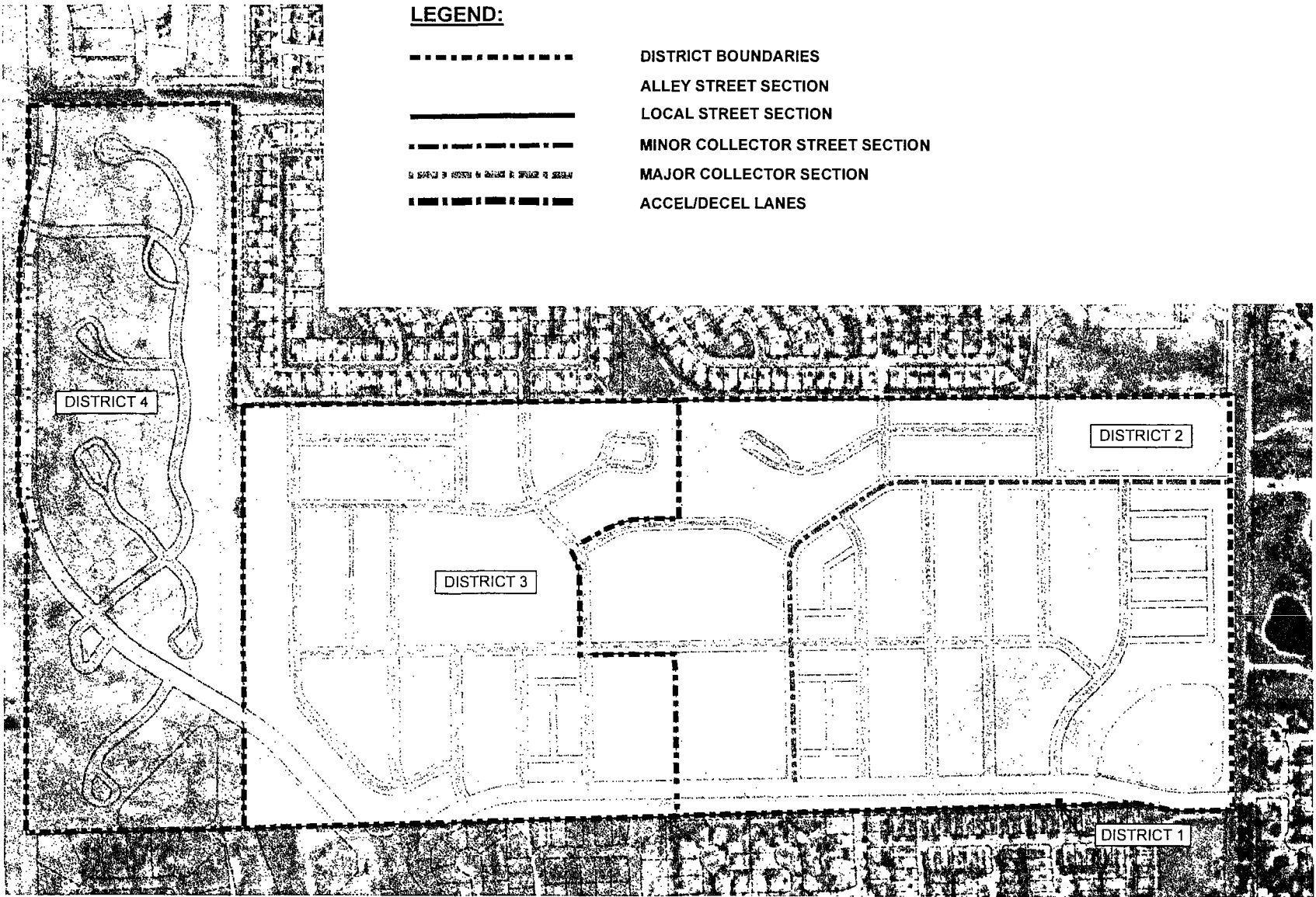
Perimeter: 8205.85' Area: 2918096.56 Sq. Ft.
Error Closure: 0.0026 Course: S85°26'38"W
Error North: -0.00020 East: -0.00254

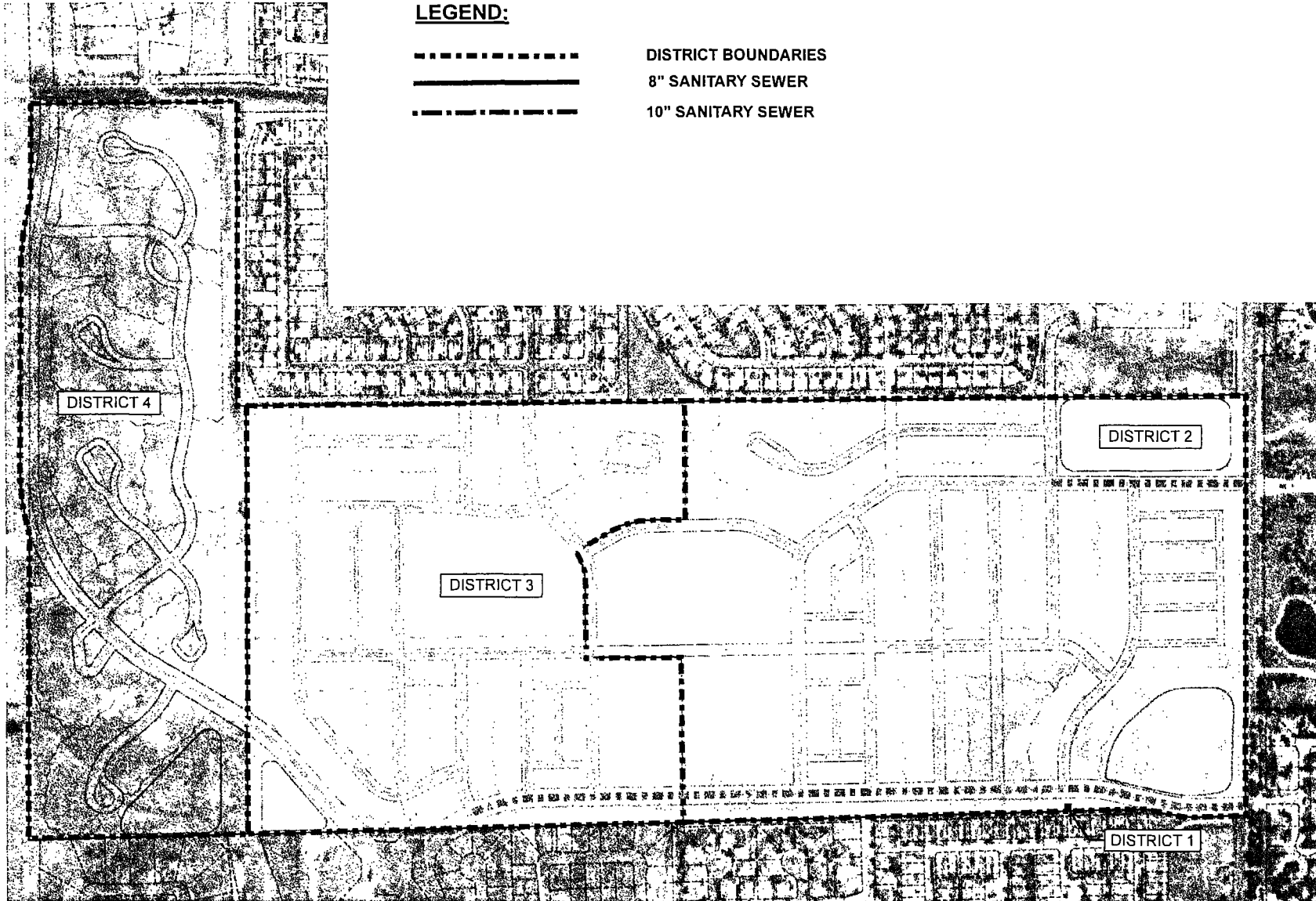
Precision 1: 3156100.00

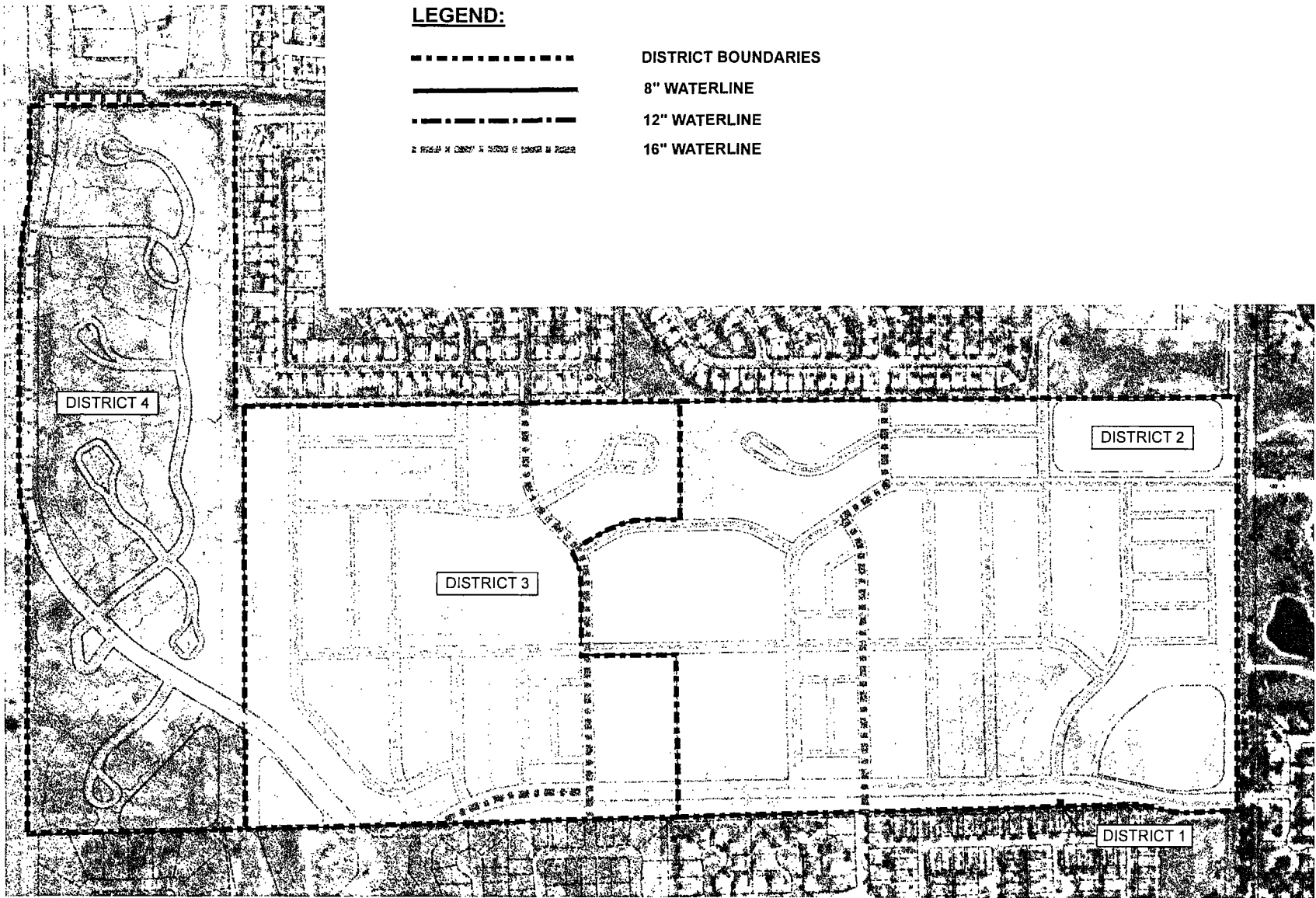
EXHIBIT C
Public Improvements Diagram

LEGEND:

- DISTRICT BOUNDARIES
- ALLEY STREET SECTION
- LOCAL STREET SECTION
- MINOR COLLECTOR STREET SECTION
- MAJOR COLLECTOR SECTION
- ACCEL/DECEL LANES





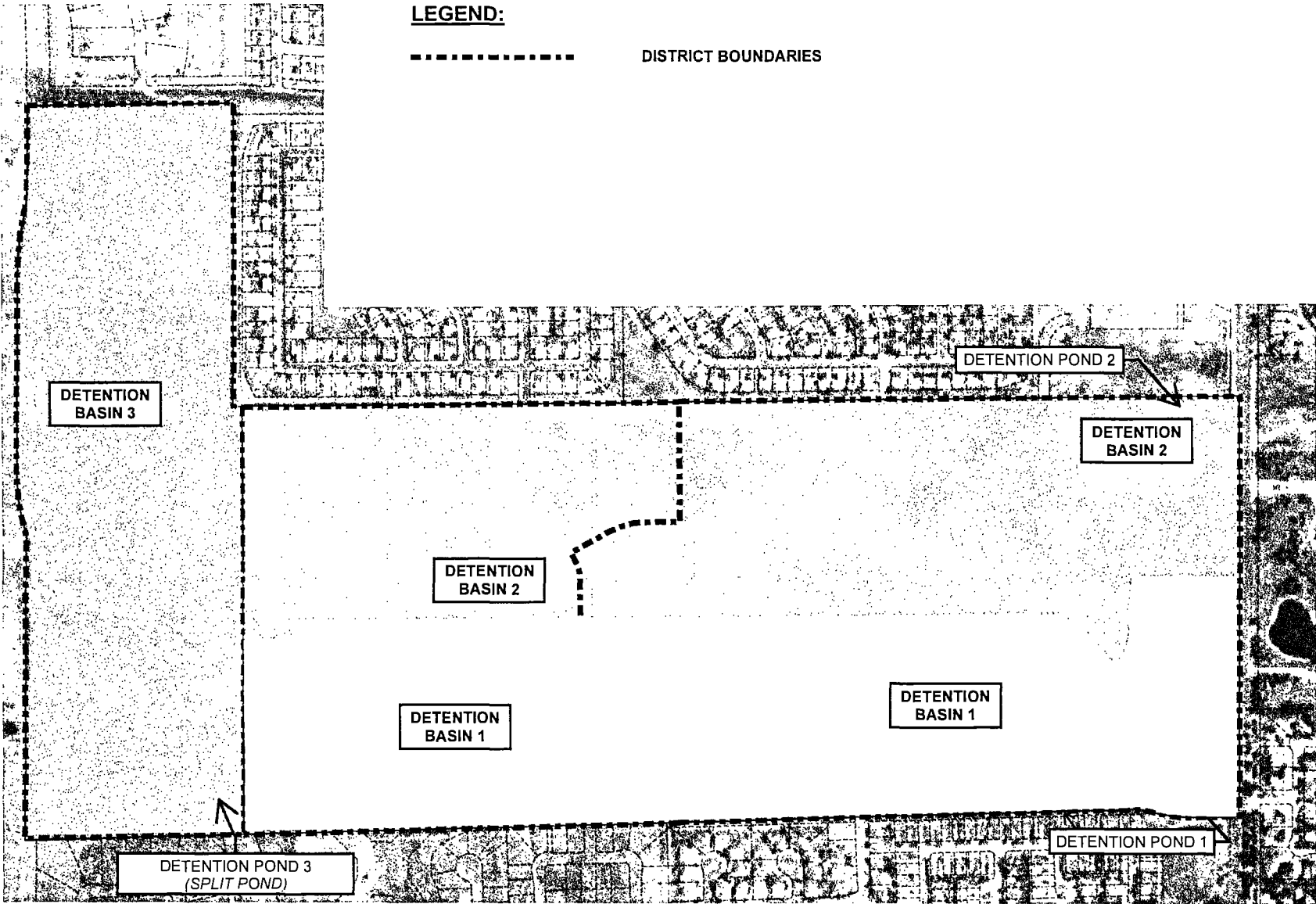


LEGEND:

- DISTRICT BOUNDARIES
- 8" WATERLINE
- - - - - 12" WATERLINE
- 16" WATERLINE

LEGEND:

----- DISTRICT BOUNDARIES



OPINION OF PROBABLE LANDSCAPE COSTS

Landscape Zone	Description	Cost (\$/SF)	DISTRICT				SUBTOTAL		
			DISTRICT 1 (AC)	DISTRICT 2 (AC)	DISTRICT 3 (AC)	DISTRICT 4 (AC)	Area (SF)	Area (AC)	Cost
A. 1. Central Park	Manicured turf, shrub beds, trees, 6' walk and irrigation	\$4.00		8.0			349,370	8.0	\$1,397,479
A. 2. Recreation Center Facility	Main building, pool house and lap pool, picnic structure, walls			1.0					\$3,509,000 ^A
B. Manicured - High Impact	Manicured turf, shrub beds, trees, 6' walk and irrigation	\$5.00		2.3	0.8		135,432	3.1	\$677,162
C. Manicured - Streetscape	Manicured turf, shrub beds, trees, 6' walk and irrigation	\$3.50		1.2	2.0		142,388	3.3	\$408,360
D. Trail Corridor and Perimeter	Mix of native grass seed and manicured turf, trees, 6' walk and irrigation	\$3.00		7.6	2.5	6.5	719,257	16.5	\$2,157,770
E. Enhanced Native Planting	Native grass seed, minimal trees and irrigation	\$2.00		12.1	3.3	10.0	1,109,150	25.5	\$2,218,300
TOTAL				32.2	8.7	16.5	2,455,597	56.4	\$10,458,070

ASSUMPTIONS:

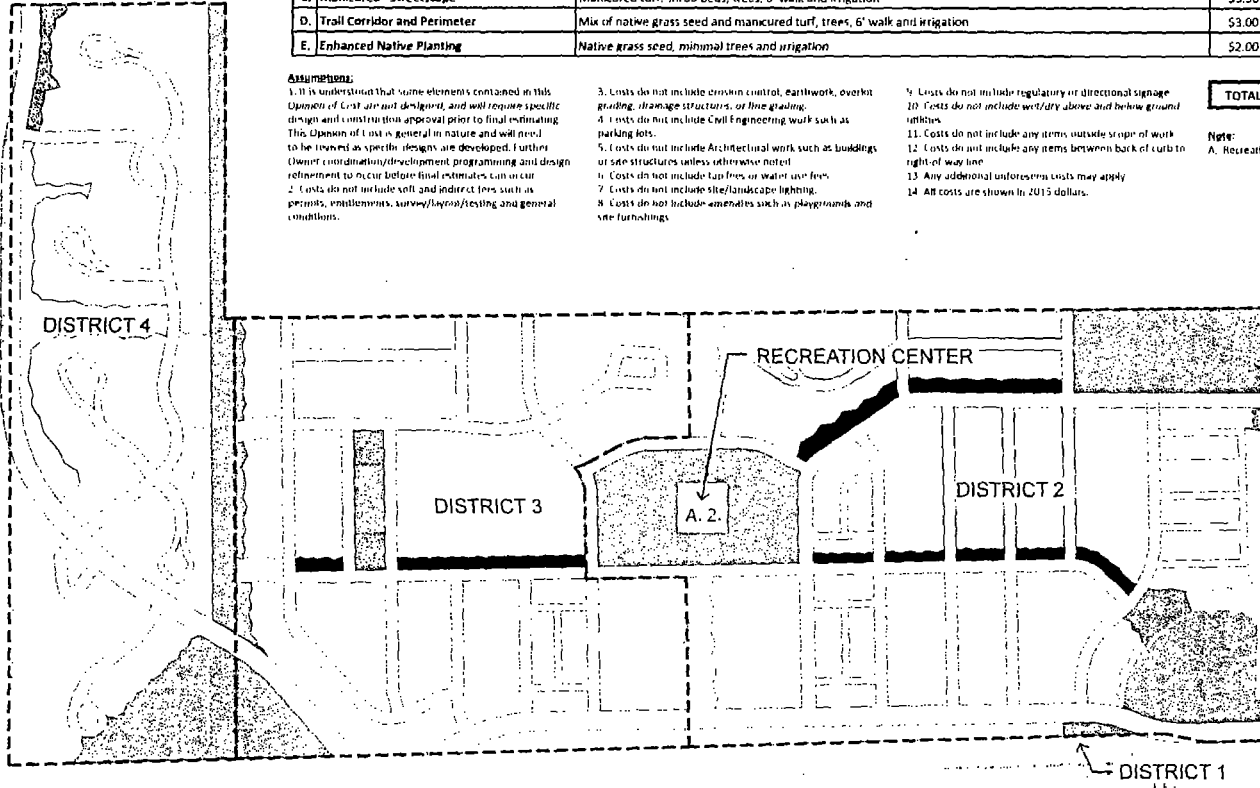
1. It is understood that some elements contained in this Opinion of Cost are not designed, and will require specific design and construction approval prior to final estimating. This Opinion of Cost is general in nature and will need to be refined as specific designs are developed. Further Owner coordination/development programming and design refinement to occur before final estimates can occur.
 2. Costs do not include soft and indirect fees such as permits, entitlements, survey/topog/Testing and general conditions.

3. Costs do not include erosion control, earthwork, overlot grading, drainage structures, or fine grading.
 4. Costs do not include Civil Engineering work such as parking lots.
 5. Costs do not include Architectural work such as buildings or site structures unless otherwise noted.
 6. Costs do not include tap fees or water use fees.
 7. Costs do not include site/landscape lighting.
 8. Costs do not include amenities such as playgrounds and site furnishings.

9. Costs do not include regulatory or directional signage.
 10. Costs do not include wet/dry above and below ground utilities.
 11. Costs do not include any items outside scope of work.
 12. Costs do not include any items between back of curb to right-of-way line.
 13. Any additional unforeseen costs may apply.
 14. All costs are shown in 2015 dollars.

Note:
 A. Recreation Center estimate based on May 28, 2015 budget estimate.

Average Cost (\$/SF)	\$4.26
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LANDSCAPE ZONE LEGEND

		Type A Zone Central Park
		Type B Zone Manicured - High Impact
		Type C Zone Manicured - Streetscape
		Type D Zone Trail Corridor and Perimeter
		Type E Zone Enhanced Native Planting

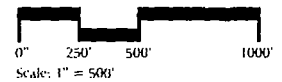


Exhibit F: Landscape Intensity Zones

Lee Farm
 LOVELAND COLORADO

EXHIBIT D
Cost Estimates

Lee Farms Metropolitan District No. 1 - No. 4 Summary
Preliminary Estimated Project Construction Costs

August 27, 2018

Project Cost Estimate Prepared by: COWI Consulting Group and PCL METRO Group, Inc.
 Prepared by: COWI Consulting Group

246.3 Total Acres 739 Total Residential Units 0 Commercial Sqft 0 Industrial Sqft	Lee Farms Metropolitan District # 1 - 4 Capital Costs	Lee Farms Metropolitan District # 1 - 4 Org and Form Cost	Lee Farms Metropolitan District # 1 - 4 Total District Costs	Lee Farms Metropolitan District # 1 - 4 Future Inclusion Costs	Lee Farms Metropolitan District # 1 - 4 Total District & Incl Costs
Land					
Land Cost					
Raw Water (Potable Water) / Additional Fees					
Land Cost	\$0.00		\$0.00		\$0.00
Indirect Construction Costs					
Permits and Fees	\$130,000.00		\$130,000.00		\$130,000.00
Engineering, Design and Const Management	\$4,174,256.37		\$4,174,256.37		\$4,174,256.37
Planning (30% of estimated planning costs)					
Engineering					
Design					
Engineering during construction					
Engineer Admin, Inspection, Certification					
Facility Inspection and Certification					
As-builts					
Construction Surveying	\$480,350.00				
Material Testing	\$665,100.00				
Safety Inspection	\$29,000.00				
Project Mgmt., Const. Mgmt, Const. Admin	\$1,861,896.37				
Legal and Accounting	\$100,000.00		\$100,000.00		\$100,000.00
Formation and Organization					
Legal		\$50,000.00	\$50,000.00		\$50,000.00
Engineering (Mapping)		\$15,000.00	\$15,000.00		\$15,000.00
Financial		\$7,500.00	\$7,500.00		\$7,500.00
Management / Administration		\$35,000.00	\$35,000.00		\$35,000.00
Indirect Cost	\$4,404,256.37	\$107,500.00	\$4,511,756.37		\$4,511,756.37
Direct Construction Costs					
Removals/Erosion Control/Mobilization	\$970,225.45		\$970,225.45		\$970,225.45
Earthwork	\$3,263,125.00		\$3,263,125.00		\$3,263,125.00
Over Excavation	\$0.00				
General Grading and Excavation	\$3,263,125.00				
Sanitary Sewer	\$3,735,639.00		\$3,735,639.00		\$3,735,639.00
Site Perimeter Drain (Under Drain)	\$85,000.00		\$85,000.00		\$85,000.00
Domestic Water	\$4,822,201.00		\$4,822,201.00		\$4,822,201.00
Storm Sewer	\$2,043,108.00		\$2,043,108.00		\$2,043,108.00
Slurry Barrier Wall (Around Pond)	\$0.00		\$0.00		\$0.00
Streets (Concrete, Asphalt Paving)	\$9,243,410.00		\$9,243,410.00		\$9,243,410.00
Irrigation Non-pot System (Incl. Raw Water)	\$0.00		\$0.00		\$0.00
Landscaping	\$4,149,594.92		\$4,149,594.92		\$4,149,594.92
Park Amenities	\$1,300,000.00		\$1,300,000.00		\$1,300,000.00
Dry Utilities (Sleeving)	\$102,800.00		\$102,800.00		\$102,800.00
Street Signs, Markings and Traffic Control	\$495,650.00		\$495,650.00		\$495,650.00
Miscellaneous (Repairs, clean up and Weather)	\$450,000.00		\$450,000.00		\$450,000.00
Construction Contingency	\$3,900,000.00		\$3,900,000.00		\$3,900,000.00
Offsite Improvements & Regional Improvements	\$850,000.00		\$850,000.00		\$850,000.00
Wilson Avenue Accel and Decel	\$450,000.00				
Cascade Avenue Roundabout (cost share)	\$400,000.00				
Road Oversizing Reimbursement	\$0.00				
Direct Cost	\$35,410,753.37		\$35,410,753.37		\$35,410,753.37
TOTAL	\$39,815,009.74	\$107,500.00	\$39,922,509.74		\$39,922,509.74

Year Const	% of Construction	Capital Cost Per Build Out
2016	9.47%	\$ 3,781,563.85
2017	28.55%	\$ 11,398,713.88
2018	37.89%	\$ 15,126,255.38
2019	21.65%	\$ 8,643,574.50
2020	2.44%	\$ 972,402.13
2021	0.00%	\$ -
2022	0.00%	\$ -
2023	0.00%	\$ -
2024	0.00%	\$ -
2025	0.00%	\$ -
2026	0.00%	\$ -
2027	0.00%	\$ -
	100.00%	\$39,922,509.74

Development Cost is based on one year prior to home build out schedule.

Lee Farms Metropolitan District No. 2
Preliminary Estimated Project Construction Costs

August 27, 2015

Prepared by: Prepared by: CDR Consulting Group and Partners, an auditing company
 10000 E. 1st Ave., Suite 200, Denver, CO 80231

103 Acres 310 Residential Units	Lee Farms Metropolitan District # 2 Capital Costs	Lee Farms Metropolitan District # 2 Org and Form Cost	Lee Farms Metropolitan District # 2 Total District Costs	Lee Farms Metropolitan District # 2 Future Inclusion Costs	Lee Farms Metropolitan District # 2 Total District & Incl Costs
Land					
Land Cost	n/a				
Raw Water (Potable Water) / Additional Fees	n/a				
Land Cost	\$0.00		\$0.00		\$0.00
Indirect Construction Costs					
Permits and Fees	\$60,000.00		\$60,000.00		\$60,000.00
Engineering, Design and Const Management	\$1,699,796.50		\$1,699,796.50		\$1,699,796.50
Planning (30% of estimated planning costs)					
Engineering					
Design					
Engineering during construction					
Engineer Admin, Inspection, Certification					
Facility Inspection and Certification					
As-builts					
Construction Surveying					
Material Testing					
Safety Inspection					
Const. Mgmt, Const. Admin (+/-6% of Direct Cost)					
Legal and Accounting	\$40,000.00		\$40,000.00		\$40,000.00
Formation and Organization					
Legal			\$0.00		\$0.00
Engineering (Mapping)			\$0.00		\$0.00
Financial			\$0.00		\$0.00
Management / Administration			\$0.00		\$0.00
Indirect Cost	\$1,799,796.50		\$1,799,796.50		\$1,799,796.50
Direct Construction Costs					
Removals/Erosion Control/Mobilization	\$350,613.00		\$350,613.00		\$350,613.00
Earthwork	\$1,171,500.00		\$1,171,500.00		\$1,171,500.00
Over Excavation					
General Grading and Excavation					
Sanitary Sewer	\$1,593,354.00		\$1,593,354.00		\$1,593,354.00
Site Perimeter Drain (Under Drain)	\$0.00		\$0.00		\$0.00
Domestic Water	\$1,864,137.00		\$1,864,137.00		\$1,864,137.00
Storm Sewer	\$929,825.00		\$929,825.00		\$929,825.00
Slurry Barrier Wall (Around Pond)	\$0.00		\$0.00		\$0.00
Streets (Concrete, Asphalt Paving)	\$4,302,719.00		\$4,302,719.00		\$4,302,719.00
Irrigation Non-pot System (Incl. Raw Water)	\$0.00		\$0.00		\$0.00
Landscaping	\$1,750,382.00		\$1,750,382.00		\$1,750,382.00
Park Amenities	\$750,000.00		\$750,000.00		\$750,000.00
Dry Utilities (Sleeving)	\$45,000.00		\$45,000.00		\$45,000.00
Street Signs, Markings and Traffic Control	\$228,400.00		\$228,400.00		\$228,400.00
Miscellaneous (Repairs, clean up and weather)	\$150,000.00		\$150,000.00		\$150,000.00
Construction Contingency	\$1,600,000.00		\$1,600,000.00		\$1,600,000.00
Offsite Improvements & Regional Improvements	\$450,000.00		\$450,000.00		\$450,000.00
Wilson Avenue Accel and Decel					
Cascade Avenue Roundabout (cost share)					
Road Oversizing Reimbursement					
Direct Cost	\$15,185,930.00		\$15,185,930.00		\$15,185,930.00
TOTAL	\$16,985,726.50		\$16,985,726.50		\$16,985,726.50

Year Const	% of Construction	Capital Cost Per Build Out
2016	22.58%	\$ 3,835,486.63
2017	38.71%	\$ 6,575,119.94
2018	38.71%	\$ 6,575,119.94
2019	0.00%	\$ -
2020	0.00%	\$ -
2021	0.00%	\$ -
2022	0.00%	\$ -
2023	0.00%	\$ -
2024	0.00%	\$ -
2025	0.00%	\$ -
2026	0.00%	\$ -
2027	0.00%	\$ -
	100.00%	\$16,985,726.50

Development Cost is based on one year prior to home buildout schedule.

Lee Farms Metropolitan District No. 3					
Preliminary Estimated Project Construction Costs					
					August 27, 2015
Project Cost Estimate Prepared by: GSW Group, Inc. (under contract to Lee Farms Metropolitan District) on August 27, 2015. GSW Group, Inc. is not responsible for the accuracy of the information provided.					
74.18 Acres 331 Residential Units	Lee Farms Metropolitan District # 3 Capital Costs	Lee Farms Metropolitan District # 3 Org and Form Cost	Lee Farms Metropolitan District # 3 Total District Costs	Lee Farms Metropolitan District # 3 Future Inclusion Costs	Lee Farms Metropolitan District # 3 Total District & Incl Costs
Land					
Land Cost					
Raw Water (Potable Water) / Additional Fees					
Land Cost	\$0.00		\$0.00		\$0.00
Indirect Construction Costs					
Permits and Fees	\$40,000.00		\$40,000.00		\$40,000.00
Engineering, Design and Const Management Planning (30% of estimated planning costs)	\$1,411,447.67		\$1,411,447.67		\$1,411,447.67
Engineering					
Design					
Engineering during construction					
Engineer Admin, Inspection, Certification					
Facility Inspection and Certification					
As-builts					
Construction Surveying					
Material Testing					
Safety Inspection					
Const. Mgmt, Const. Admin (+/-6% of Direct Cost)					
Legal and Accounting	\$30,000.00		\$30,000.00		\$30,000.00
Formation and Organization					
Legal			\$0.00		\$0.00
Engineering (Mapping)			\$0.00		\$0.00
Financial			\$0.00		\$0.00
Management / Administration			\$0.00		\$0.00
Indirect Cost	\$1,481,447.67		\$1,481,447.67		\$1,481,447.67
Direct Construction Costs					
Removals/Erosion Control/Mobilization	\$247,560.45		\$247,560.45		\$247,560.45
Earthwork	\$1,095,250.00		\$1,095,250.00		\$1,095,250.00
Over Excavation					
General Grading and Excavation					
Sanitary Sewer	\$1,367,800.00		\$1,367,800.00		\$1,367,800.00
Site Perimeter Drain (Under Drain)	\$0.00		\$0.00		\$0.00
Domestic Water	\$1,684,095.00		\$1,684,095.00		\$1,684,095.00
Storm Sewer	\$564,610.00		\$564,610.00		\$564,610.00
Slurry Barrier Wall (Around Pond)	\$0.00		\$0.00		\$0.00
Streets (Concrete, Asphalt Paving)	\$2,444,273.00		\$2,444,273.00		\$2,444,273.00
Irrigation Non-pnt System (Incl. Raw Water)	\$0.00		\$0.00		\$0.00
Landscaping	\$1,260,614.92		\$1,260,614.92		\$1,260,614.92
Park Amenities	\$500,000.00		\$500,000.00		\$500,000.00
Dry Utilities (Sleeving)	\$34,850.00		\$34,850.00		\$34,850.00
Street Signs, Markings and Traffic Control	\$148,900.00		\$148,900.00		\$148,900.00
Miscellaneous (Repairs, clean up and Weather)	\$150,000.00		\$150,000.00		\$150,000.00
Construction Contingency	\$1,200,000.00		\$1,200,000.00		\$1,200,000.00
Offsite Improvements & Regional Improvements	\$400,000.00		\$400,000.00		\$400,000.00
Wilson Avenue Accel and Deccel					
Cascade Avenue Roundabout (cost share)					
Road Oversizing Reimbursement					
Direct Cost	\$11,097,953.37		\$11,097,953.37		\$11,097,953.37
TOTAL	\$12,579,401.04		\$12,579,401.04		\$12,579,401.04

Formation and Capital Cost by dwelling unit		
Year Const	% of Construction	Capital Cost Per Build Out
2016	0.00%	\$ -
2017	27.49%	\$ 3,458,385.18
2018	36.25%	\$ 4,560,507.93
2019	36.25%	\$ 4,560,507.93
2020	0.00%	\$ -
2021	0.00%	\$ -
2022	0.00%	\$ -
2023	0.00%	\$ -
2024	0.00%	\$ -
2025	0.00%	\$ -
2026	0.00%	\$ -
2027	0.00%	\$ -
	100.00%	\$12,579,401.04

Development Cost is based on one year prior to home buildout schedule.

Lee Farms Metropolitan District No. 4					
Preliminary Estimated Project Construction Costs					
					August 27, 2015
<small>Cost Estimate Prepared by CVA Consulting Group, Inc. Planning/Consulting Group Inc. 7540 13th St. N.E. Everett, WA 98203</small>					
67 Acres 98 Residential Units	Lee Farms Metropolitan District # 4 Capital Costs	Lee Farms Metropolitan District # 4 Org and Form Cost	Lee Farms Metropolitan District # 4 Total District Costs	Lee Farms Metropolitan District # 4 Future Inclusion Costs	Lee Farms Metropolitan District # 4 Total District & Incl Costs
Land					
Land Cost					
Raw Water (Potable Water) / Additional Fees					
Land Cost	\$0.00		\$0.00		\$0.00
Indirect Construction Costs					
Permits and Fees	\$30,000.00		\$30,000.00		\$30,000.00
Engineering, Design and Const Management	\$1,063,012.20		\$1,063,012.20		\$1,063,012.20
Planning (30% of estimated planning costs)					
Engineering					
Design					
Engineering during construction					
Engineer Admin, Inspection, Certification					
Facility Inspection and Certification					
As-builts					
Construction Surveying					
Material Testing					
Safety Inspection					
Const. Mgmt. Const. Admin (17.6% of Direct Cost)					
Legal and Accounting	\$30,000.00		\$30,000.00		\$30,000.00
Formation and Organization					
Legal			\$0.00		\$0.00
Engineering (Mapping)			\$0.00		\$0.00
Financial			\$0.00		\$0.00
Management / Administration			\$0.00		\$0.00
Indirect Cost	\$1,123,012.20		\$1,123,012.20		\$1,123,012.20
Direct Construction Costs					
Removals/Erosion Control/Mobilization	\$372,052.00		\$372,052.00		\$372,052.00
Earthwork	\$996,375.00		\$996,375.00		\$996,375.00
Over Excavation					
General Grading and Excavation					
Sanitary Sewer	\$774,485.00		\$774,485.00		\$774,485.00
Rock Excavation	\$85,000.00		\$85,000.00		\$85,000.00
Domestic Water	\$1,273,969.00		\$1,273,969.00		\$1,273,969.00
Storm Sewer	\$548,673.00		\$548,673.00		\$548,673.00
Slurry Barrier Wall (Around Ponds)	\$0.00		\$0.00		\$0.00
Streets (Concrete, Asphalt Paving)	\$2,496,418.00		\$2,496,418.00		\$2,496,418.00
Irrigation Non-pot System (Incl. Raw Water)	\$0.00		\$0.00		\$0.00
Landscaping	\$1,138,598.00		\$1,138,598.00		\$1,138,598.00
Park Amenities	\$50,000.00		\$50,000.00		\$50,000.00
Dry Utilities (Sleeving)	\$22,950.00		\$22,950.00		\$22,950.00
Street Signs, Markings and Traffic Control	\$118,350.00		\$118,350.00		\$118,350.00
Miscellaneous (Repairs, clean up and Weather)	\$150,000.00		\$150,000.00		\$150,000.00
Construction Contingency	\$1,100,000.00		\$1,100,000.00		\$1,100,000.00
Offsite Improvements & Regional Improvements	\$0.00		\$0.00		\$0.00
Wilson Avenue Accel and Decel					
Cascade Avenue Roundabout (cost share)					
Road Oversizing Reimbursement					
Direct Cost	\$9,126,870.00		\$9,126,870.00		\$9,126,870.00
TOTAL	\$10,249,882.20		\$10,249,882.20		\$10,249,882.20

Formation and Capital Cost by dwelling unit			
Year	Const	% of Construction	Capital Cost Per Build Out
2016		0.00%	\$ -
2017		0.00%	\$ -
2018		40.82%	\$ 4,183,625.39
2019		40.82%	\$ 4,183,625.39
2020		18.37%	\$ 1,882,631.42
2021		0.00%	\$ -
2022		0.00%	\$ -
2023		0.00%	\$ -
2024		0.00%	\$ -
2025		0.00%	\$ -
2026		0.00%	\$ -
2027		0.00%	\$ -
		100.00%	\$10,249,882.20

Development Cost is based on one year prior to home buildout schedule.

EXHIBIT E
Financing Plan

Stan Bernstein and Associates, Inc.

Financial Planners and Consultants

For Local Governments, Municipal Bond Underwriters, and Real Estate Developers

PO Box 5342

Vail, CO 81658

970-390-9162; amy.bernstein.greer@gmail.com

MEMORANDUM

TO: Mr. Brock Chapman, Managing Director, The True Life Companies
Alan Pogue, ESQ, Icenogle Seaver Pogue, P.C.
Peggy Dowsnell, CPA, Pinnacle Consulting Group, Inc.
Chad Walker, Pinnacle Consulting Group, Inc.

FROM: Amy Greer

DATE: October 26, 2015

SUBJECT: Draft 2 – Financial Model – Lee Farm Metropolitan Districts #1 - #4

INTRODUCTION AND SCOPE

Stan Bernstein and Associates, Inc. has assembled preliminary Financial Models for Lee Farm Metropolitan Districts #1 - #4 (the District) based upon key assumptions provided by officials of The True Life Companies (the Developer) and its consultants Pinnacle Consulting Group, Inc. The Financial Models were assembled in order to provide a conceptual understanding of (i) the amount of limited tax General Obligation Bonds that could ultimately be supported by the District; (ii) and how the Service District could fund its General Fund administrative and operating expenditures (as presented on Exhibit I). Detailed land use, values, and buildout assumptions (as well as related assessed valuation estimates) for Districts #2 - #4 were provided by the Developer and Pinnacle Consulting Group, Inc., and are presented on Schedules 2, 3, and 4.

The Financial Model presents, to the best knowledge and belief of the Developer (based upon assumptions provided by the Developer), the District's expected cash position and results of cash receipts and disbursements for the forecast period. Accordingly, the Financial Model reflects the Developer's judgment, as of the date of this report, of the expected conditions within the District's boundaries and the District's expected course of action. The assumptions disclosed in the Financial Model are those of the Developer and have not been independently reviewed by Stan Bernstein and Associates, Inc.

FUTURE RATES OF RESIDENTIAL BUILDOUT AND RELATED ASSESSED VALUATION

The financial planning concept is that as the construction of future residential product occurs within the boundaries of Districts #2 - #4, incremental assessed valuation will generate property tax revenues for each of the Districts.

For financial planning purposes it is assumed that a portion (10.0 mills) of the property tax revenues generated from the 55.0 mills assumed to be levied by Financing Districts #2 - #4 will be transferred to the Service District's General Fund and used to fund administrative and operating expenditures. The property tax revenues not transferred to the General Fund will be available to make annual interest and principal payments on outstanding limited tax General Obligation Bonds. This draft assumes that Districts' #3 and #4 will transfer available property tax revenues to District #2 and that all General Obligation Bonds will be issued by District #2.

This draft indicates that District #2 could support limited tax General Obligation Bonds as presented:

December 1, 2020	\$5,500,000
December 1, 2022	\$4,100,000
December 1, 2025	\$3,800,000
December 1, 2030	<u>\$ 2,400,000</u>
	<u>\$15,800,000</u>

It is possible that the timing of these bond issues could be accelerated by using various forms of credit enhancement. It is assumed that the bonds would be issued at average interest rates of 6.0% and mature serially over a 30-year period. Costs of Bond Issuance have been estimated to be 7.0% of the par amount of the bonds. It is also possible that if buildout rates and assessed valuations lag expectations, and/or if administrative and operating expenditures exceed expectations, the amount of the bonds that could be supported will be less than shown on the previous page, and the timing of the issuance of these bonds will not occur as soon as indicated.

It is assumed that the net proceeds of the limited tax General Obligation Bonds (\$14,694,000) will be used to reimburse the Developer for a portion of the infrastructure costs expected to be originally funded by the Developer (as presented on Exhibit III).

DISTRICTS #2 - #4 LAND USE AND RELATED ASSESSED VALUATION - SCHEDULES 2 - 4

The key assumptions with respect to future residential buildout, and related assessed valuation buildup, within the boundaries of the Districts are presented in detail on

Schedules 2, 3, and 4. These assumptions were provided by officials of the Developer. The assessed valuation estimates assume an average annual inflationary increase of approximately 1% (2% biennially - this assumption was provided by Pinnacle Consulting Group, Inc.).

The Financial Model is based upon a total of 736 residential units completed by 2026. The Developer has provided the information contained in Schedules 2 - 4, and believes these assumptions to be reasonable and appropriate to use for financial modeling purposes at this time.

DISTRICTS #2 - #4 – CASH FLOW – EXHIBITS III, IV AND V

Exhibit III, IV and V present the estimated revenues and expenditures for Districts #2 - #4.

The primary revenue source for each district consists of property tax revenues generated from a 55.0 mill levy (reduced to 44.0 mills by 2040). Other sources of revenue include specific ownership tax revenues (estimated to be 8.0% of property tax revenues per Pinnacle Consulting Group, Inc.) and interest earnings.

Expenditures for each district include an annual transfer of 10.0 mills (higher in early years) to the Service District's General Fund. A 1.5% County Treasurer's collection fee has also been assumed.

SERVICE DISTRICT GENERAL FUND - CASH FLOW – EXHIBIT I

Exhibit I presents the estimated revenues and expenditures for the Service District's General Fund (Service District #1).

The primary ongoing general fund revenue source is assumed to be property tax revenue transfers of 10.0 mills (higher in early years) from Districts #2 - #4 and annual user fees for pool, recreation center and maintenance (assumed to be \$500 annually per unit). Additional revenue sources include Developer Contributions during 2016 - 2019 totaling \$975,000 (assumed to be repaid in later years), and interest income.

Operations and Maintenance costs are assumed to be funded by the mill levy transfer from Districts #2 - #4 and annual pool, recreation center and maintenance user fees.

DISTRICT #2 DEBT SERVICE – CASH FLOW – EXHIBIT III

Exhibit III presents the cash flow forecasts for the Series 2020, Series 2022, Series 2025 and Series 2030 limited tax General Obligation Bonds, and demonstrates that the annual debt service requirements can be maintained, and the bonds redeemed, on a reasonable basis.

General obligation bonds are issued when the certified assessed valuation of the District will result in an outstanding debt to assessed ratio of 50% or less. Sizing of general obligation bonds so that the debt to assessed valuation ratio is always 50% or less will result in the lowest interest rates (and perhaps eliminate the need for debt service reserve funds).

Interest rates of 6.0% and 30-year amortization have been assumed for all issues.

SERVICE DISTRICT CAPITAL PROJECTS FUND – CASH FLOW – EXHIBIT II

Exhibit III presents the detailed capital infrastructure requirements, the assumed Developer Capital Advances, and the repayment of the Developer Capital Advances from net bond proceeds.

The detailed capital expenditure requirements are presented by year. It is assumed that all capital expenditures will initially be funded from Developer Contributions (i.e., Loans). It is assumed that these Developer Contributions/Loans (the cumulative amount of the Developer Contributions/Loans without interest appears on the bottom line of Exhibit V) will be reimbursed to the Developer from net general obligation bond proceeds.

Disclaimer

The assumptions disclosed in the Financial Plan are those of the Developer and have not been independently reviewed by Stan Bernstein and Associates, Inc. Those assumptions identified are believed to be the significant factors in determining financial feasibility; however, they are likely not to be all-inclusive. There will usually be differences between forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Key assumptions – like those relating to market values of real property improvements and the buildout schedule of such property – are particularly sensitive in terms of the timing necessary to create the tax base for the District. A small variation in these variables, and to their timing, can have a large effect on the forecasted results. There is a high probability that the forecasted results will differ from realized future tax base factors and such variations can be material. Additionally, other key assumptions relating to inflation, assessment ratios,

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interest rates, and infrastructure, administrative, and operating costs may, and likely will, vary from those assumed.

Because Stan Bernstein and Associates, Inc. has not independently evaluated or reviewed the assumptions that the Financial Model is based upon, we do not vouch for the achievability (and disclaim any opinion) of the information presented on the accompanying Exhibit I and Schedule 1. Furthermore, because of the inherent nature of future events, which are subject to change and variation as events and circumstances change, the actual results may vary materially from the results presented on Exhibit I and Schedule 1. Stan Bernstein and Associates, Inc. has no responsibility or obligation to update this information or this Financial Model for events occurring after the date of this report.

LEE FARM METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)
 CASH FLOW FORECAST - BUDGETARY BASIS
 GENERAL FUND
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2035

DRAFT DATED 10-27-2015
 SUBJECT TO CHANGE & REVISION

EXHIBIT I - CASH FLOW FORECAST - GENERAL FUND

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
1	0	0	44	119	162	154	79	60	56	21	12	9
2	0	0	44	163	345	499	578	638	694	715	727	736
3	0	0	0	0	55	46	16	10	10	10	10	10
4	0	0	0	0	0	0	16	10	10	10	10	10
5	0	0	0	0	0	0	0	0	0	0	0	0
6	0	0	0	0	0	0	0	0	0	0	0	0
7	0	0	0	1,377,447	5,252,156	8,970,094	10,433,601	10,433,601	10,433,601	10,642,274	10,642,274	10,855,119
8	0	0	0	0	0	2,120,640	5,921,280	5,921,280	8,286,062	10,018,520	11,361,646	11,588,879
9	0	0	0	0	0	0	0	0	359,579	1,245,748	2,304,393	3,451,895
10	0	0	0	500	500	500	500	500	500	500	500	500
11	0	0	0	0	0	0	0	0	0	0	0	0
12	0	0	0	0	0	0	0	0	0	0	0	0
13	0	0	0	0	0	0	0	0	0	0	0	0
14	0	105,000	255,000	370,000	245,000	0	0	0	(60,000)	(100,000)	(125,000)	(125,000)
15	0	0	0	22,000	81,500	172,500	249,500	289,000	319,000	347,000	357,500	363,500
16	0	0	0	0	75,760	241,599	143,522	104,336	104,336	106,423	106,423	108,551
17	0	0	0	0	0	0	33,930	59,213	82,861	100,185	113,616	115,889
18	0	0	0	0	0	0	0	0	3,596	12,457	23,044	34,519
19	0	0	7	14	25	33	41	50	91	93	102	99
20	0	105,000	255,007	392,014	402,285	414,132	426,993	452,599	449,684	466,158	475,685	487,558
21	0	0	0	0	0	0	0	0	0	0	0	0
22	0	44,600	91,324	106,191	109,376	112,658	116,037	119,518	123,104	126,797	130,601	134,519
23	0	0	0	101,095	104,128	107,252	110,469	113,783	117,197	120,713	124,334	128,064
24	0	0	0	43,430	44,733	46,075	47,457	48,881	50,347	51,858	53,413	55,016
25	0	57,441	117,618	136,765	140,868	145,094	149,447	153,930	158,548	163,305	168,204	173,250
26	0	102,041	252,372	387,481	399,105	411,078	423,410	436,113	449,196	462,672	476,552	490,849
27	0	2,959	2,636	4,533	3,180	3,054	3,582	16,486	687	3,486	(868)	6,710
28	0	0	0	0	0	0	0	0	0	0	0	0
29	0	0	0	0	0	0	0	0	0	0	0	0
30	0	0	0	0	0	0	0	0	0	0	0	0
31	0	0	2,959	5,594	10,128	13,308	16,362	19,944	36,430	37,118	40,604	39,737
32	0	0	0	0	0	0	0	0	0	0	0	0
33	0	2,959	5,594	10,128	13,308	16,362	19,944	36,430	37,118	40,604	39,737	46,446

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)
 CASH FLOW FORECAST - BUDGETARY BASIS
 GENERAL FUND
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2035

EXHIBIT I - CASH FLOW FORECAST - GENERAL FUND

	2027	2028	2029	2030	2031	2032	2033	2034	2035	TOTALS
1 INCREMENTAL RESIDENTIAL UNITS ADDED (SCHEDULE 1)	0	0	0	0	0	0	0	0	0	736
2 CUMULATIVE RESIDENTIAL UNITS ADDED	736	736	736	736	736	736	736	736	736	736
3										
4 ASSUMED MILL LEVY TRANSFER FROM LFMD #2	10	10	10	10	10	10	10	10	10	10
5 ASSUMED MILL LEVY TRANSFER FROM LFMD #3	10	10	10	10	10	10	10	10	10	10
6 ASSUMED MILL LEVY TRANSFER FROM LFMD #4	10	10	10	10	10	10	10	10	10	10
7 ASSESSED VALUATION LFMD #2	10,855,119	11,072,221	11,072,221	11,293,666	11,293,666	11,519,539	11,519,539	11,749,930	11,749,930	170,732,397
8 ASSESSED VALUATION LFMD #3	11,588,879	11,820,656	11,820,656	12,057,069	12,057,069	12,298,211	12,298,211	12,544,175	12,544,175	158,326,128
9 ASSESSED VALUATION LFMD #4	4,119,775	4,739,043	4,739,043	4,833,824	4,833,824	4,930,501	4,930,501	5,029,111	5,029,111	50,546,347
10										
11 ASSUMED ANNUAL USER FEE FOR POOL, REC CENTER, AND MAINTENANCE	500	500	500	500	500	500	500	500	500	500
12										
13 REVENUES:										
14 DEVELOPER CONTRIBUTION (REPAYMENT)	(125,000)	(125,000)	(100,000)	(100,000)	(115,000)	0	0	0	0	0
15 ANNUAL USER FEES FOR POOL, REC CENTER & MAINTENANCE	368,000	368,000	368,000	368,000	368,000	368,000	368,000	368,000	368,000	3,680,000
16 IGA PROPERTY TAX TRANSFER FROM LFMD #2	108,551	110,722	110,722	112,937	112,937	115,195	115,195	117,499	117,499	2,012,207
17 IGA PROPERTY TAX TRANSFER FROM LFMD #3	115,889	118,207	118,207	120,571	120,571	122,982	122,982	125,442	125,442	1,595,985
18 IGA PROPERTY TAX TRANSFER FROM LFMD #4	41,198	47,390	47,390	48,338	48,338	49,305	49,305	50,291	50,291	505,463
19 INTEREST INCOME - OTHER @ .25%	116	124	121	141	135	50	223	353	453	2,272
20 TOTAL REVENUES	508,754	519,443	544,440	549,987	534,980	655,532	655,706	661,586	661,685	9,629,427
21										
22 EXPENDITURES - (PER PINNACLE CONSULTING)										
23 LANDSCAPING	138,555	142,711	146,992	151,402	155,944	160,623	165,441	170,405	175,517	2,622,314
24 POOL	131,906	135,863	139,939	144,137	148,461	152,915	157,503	162,228	167,095	2,367,082
25 RECREATION CENTER	56,666	58,366	60,117	61,921	63,778	65,692	67,663	69,692	71,783	1,060,319
26 ADMINISTRATION	178,447	183,801	189,315	194,994	200,844	206,869	213,075	219,468	226,052	3,377,334
27 TOTAL EXPENDITURES	505,574	520,741	536,364	552,455	569,028	586,099	603,682	621,792	640,446	9,427,050
28										
29 EXCESS REVENUES AND BONDS OVER EXPENDITURES	3,180	(1,298)	8,076	(2,468)	(34,048)	69,433	52,024	39,793	21,239	202,377
30										
31 FUND BALANCE - JANUARY 1	46,446	49,626	48,328	56,404	53,936	19,888	89,322	141,345	181,138	0
32										
33 FUND BALANCE - DECEMBER 31	49,626	48,328	56,404	53,936	19,888	89,322	141,345	181,138	202,377	202,377

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)
 CASH FLOW FORECAST - BUDGETARY BASIS
 CAPITAL PROJECTS FUND
 FOR THE YEARS ENDING DECEMBER 31, 2015 THROUGH 2030

DRAFT DATED 10-27-2015
 SUBJECT TO CHANGE & REVISION

EXHIBIT II - CAPITAL PROJECTS FUND
 UNINFLATED

	Totals	2015	2016	2017	2018	2019	2020	2021	2022
1 CAPITAL EXPENDITURES: (Source: Pinnacle Consulting Group, Inc.)									
2									
3 INDIRECT CONSTRUCTION COSTS									
4 PERMITS AND FEES	130,000	0	0	0	0	0	0	0	0
5 ENGINEERING AND DESIGN	4,174,256	0	0	0	0	0	0	0	0
6 LEGAL AND ACCOUNTING	100,000	0	0	0	0	0	0	0	0
7 SUBTOTAL INDIRECT CONSTRUCTION COSTS	4,404,256	0	0	0	0	0	0	0	0
8									
9 FORMATION AND ORGANIZATION									
10 LEGAL	50,000	0	0	0	0	0	0	0	0
11 ENGINEERING	15,000	0	0	0	0	0	0	0	0
12 FINANCIAL	7,500	0	0	0	0	0	0	0	0
13 MANAGEMENT/ADMINISTRATIVE	35,000	0	0	0	0	0	0	0	0
14 SUBTOTAL FORMATION AND ORGANIZATION	107,500	0	0	0	0	0	0	0	0
15									
16 DIRECT CONSTRUCTION COSTS									
17 REMOVALS	970,225	0	0	0	0	0	0	0	0
18 EARTHWORK	3,263,125	0	0	0	0	0	0	0	0
19 SANITARY SEWER	3,735,639	0	0	0	0	0	0	0	0
20 SITE PERIMETER DRAIN	85,000	0	0	0	0	0	0	0	0
21 DOMESTIC WATER	4,822,201	0	0	0	0	0	0	0	0
22 STORM SEWER	2,043,108	0	0	0	0	0	0	0	0
23 STREETS (CONCRETE, ASPHALT)	9,243,410	0	0	0	0	0	0	0	0
24 IRRIGATION SYSTEM	0	0	0	0	0	0	0	0	0
25 LANDSCAPING	4,149,595	0	0	0	0	0	0	0	0
26 PARK AMENITIES	1,300,000	0	0	0	0	0	0	0	0
27 DRY UTILITIES	102,800	0	0	0	0	0	0	0	0
28	495,650	0	0	0	0	0	0	0	0
29 MISCELLANEOUS	450,000	0	0	0	0	0	0	0	0
30 CONSTRUCTION CONTINGENCY	3,900,000	0	0	0	0	0	0	0	0
31 OFFSITE IMPROVEMENTS	850,000	0	0	0	0	0	0	0	0
32 SUBTOTAL PUBLIC PROJECTS	35,410,753	0	0	0	0	0	0	0	0
33									
34 TOTAL CAPITAL EXPENDITURES BY YEAR	39,922,510	39,922,510	39,922,510	39,922,510	39,922,510	39,922,510	34,807,510	34,807,510	30,994,510
35									
36 CAPITAL EXPENDITURE FUNDING SOURCES:									
37 DEVELOPER CAPITAL LOANS	39,922,510	39,922,510	0	0	0	0	0	0	0
38 REPAYMENT OF DEVELOPER CAPITAL LOANS	(16,694,000)	0	0	0	0	0	(5,115,000)	0	(3,813,000)
39 NET G.O. BOND PROCEEDS TRANSFERRED FROM DIST. 2	14,694,000	0	0	0	0	0	5,115,000	0	3,813,000
40 TRANSFER OF EXCESS REVENUE FROM DIST #2	2,000,000	0	0	0	0	0	0	0	0
41 DEVELOPER PERMANENT CONTRIBUTION	0	0	0	0	0	0	0	0	0
42 TOTAL CAPITAL EXPENDITURE FUNDING SOURCES	39,922,510	39,922,510	39,922,510	39,922,510	39,922,510	39,922,510	34,807,510	34,807,510	30,994,510
43									
44 EXCESS FUNDING SOURCES OVER CAPITAL EXPENDITURES	0	0	0	0	0	0	0	0	0
45									
46 FUND BALANCE - JANUARY 1	0	0	0	0	0	0	0	0	0
47									
48 FUND BALANCE - DECEMBER 31	0	0	0	0	0	0	0	0	0
49									
50									
51 CUMULATIVE DEVELOPER CAPITAL LOANS OUTSTANDING (w/o interest)	23,228,510	39,922,510	39,922,510	39,922,510	39,922,510	39,922,510	34,807,510	34,807,510	30,994,510

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)
 CASH FLOW FORECAST - BUDGETARY BASIS
 CAPITAL PROJECTS FUND
 FOR THE YEARS ENDING DECEMBER 31, 2015 THROUGH 2030

EXHIBIT II - CAPITAL PROJECTS FUND
 UNINFLATED

CAPITAL EXPENDITURES: (Source: Pinnacle Consulting Group, Inc.)

	2023	2024	2025	2026	2027	2028	2029	2030	TOTALS
INDIRECT CONSTRUCTION COSTS									
PERMITS AND FEES	0	0	0	0	0	0	0	0	130,000
ENGINEERING AND DESIGN	0	0	0	0	0	0	0	0	4,174,256
LEGAL AND ACCOUNTING	0	0	0	0	0	0	0	0	100,000
SUBTOTAL INDIRECT CONSTRUCTION COSTS	0	0	0	0	0	0	0	0	4,404,256
FORMATION AND ORGANIZATION									
LEGAL	0	0	0	0	0	0	0	0	50,000
ENGINEERING	0	0	0	0	0	0	0	0	15,000
FINANCIAL	0	0	0	0	0	0	0	0	35,000
MANAGEMENT/ADMINISTRATIVE	0	0	0	0	0	0	0	0	107,500
SUBTOTAL FORMATION AND ORGANIZATION	0	0	0	0	0	0	0	0	107,500
DIRECT CONSTRUCTION COSTS									
REMOVALS	0	0	0	0	0	0	0	0	970,225
EARTHWORK	0	0	0	0	0	0	0	0	3,263,125
SANITARY SEWER	0	0	0	0	0	0	0	0	3,735,639
SITE PERIMETER DRAIN	0	0	0	0	0	0	0	0	4,822,201
DOMESTIC WATER	0	0	0	0	0	0	0	0	2,043,108
STORM SEWER	0	0	0	0	0	0	0	0	9,243,410
STREETS (CONCRETE, ASPHALT)	0	0	0	0	0	0	0	0	0
IRRIGATION SYSTEM	0	0	0	0	0	0	0	0	4,149,595
LANDSCAPING	0	0	0	0	0	0	0	0	102,800
PARK AMENITIES	0	0	0	0	0	0	0	0	450,000
DRY UTILITIES	0	0	0	0	0	0	0	0	850,000
MISCELLANEOUS	0	0	0	0	0	0	0	0	35,410,753
CONSTRUCTION CONTINGENCY	0	0	0	0	0	0	0	0	39,922,510
OFFSITE IMPROVEMENTS	0	0	0	0	0	0	0	0	0
SUBTOTAL PUBLIC PROJECTS	0	0	0	0	0	0	0	0	0
TOTAL CAPITAL EXPENDITURES BY YEAR	0	0	0	0	0	0	0	0	0
CAPITAL EXPENDITURE FUNDING SOURCES:									
DEVELOPER CAPITAL LOANS	0	0	0	0	0	0	0	0	38,922,510
REPAYMENT OF DEVELOPER CAPITAL LOANS	0	0	(3,534,000)	(1,000,000)	0	0	0	0	(3,232,000)
NET G.O. BOND PROCEEDS TRANSFERRED FROM DIST. 2	0	0	3,534,000	0	0	0	0	0	2,232,000
TRANSFER OF EXCESS REVENUE FROM DIST #2	0	0	0	1,000,000	0	0	0	0	1,000,000
DEVELOPER PERMANENT CONTRIBUTION	0	0	0	0	0	0	0	0	0
TOTAL CAPITAL EXPENDITURE FUNDING SOURCES	0	0	0	0	0	0	0	0	39,922,510
EXCESS FUNDING SOURCES OVER CAPITAL EXPENDITURES	0	0	0	0	0	0	0	0	0
FUND BALANCE - JANUARY 1	0	0	0	0	0	0	0	0	0
FUND BALANCE - DECEMBER 31	0	0	0	0	0	0	0	0	0
CUMULATIVE DEVELOPER CAPITAL LOANS OUTSTANDING (w/o interest)	30,994,510	30,994,510	27,460,510	26,460,510	26,460,510	26,460,510	26,460,510	23,228,510	23,228,510

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT # 2
 CASH FLOW FORECAST - BUDGETARY BASIS
 CASH FLOW AND DEBT SERVICE FUND
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2030

DRAFT DATED 10-27-2015
 SUBJECT TO CHANGE & REVISION

EXHIBIT III - CASH FLOW FORECAST - DISTRICT #2

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1 INCREMENTAL UNITS ADDED (SCHEDULE 2)	0	0	44	119	114	39	0	0	0	0	0
2 CUMULATIVE UNITS ADDED	0	0	44	163	277	316	316	316	316	316	316
3 ASSESSED VALUATION (SCH. 2)	0.00	0.00	0.00	1,377,447	55.00	5,252,156	8,970,094	10,433,601	10,433,601	10,642,274	10,642,274
4 MILL LEVY											
5											
6 REVENUES:											
7 PROPERTY TAXES	0	0	0	0	75,760	288,869	493,355	573,848	573,848	585,325	532,114
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP TAXES	0	0	0	0	6,061	23,109	39,468	45,908	45,908	46,826	42,569
9 IGA PROPERTY TAX TRANSFER FROM LFMD #3	0	0	0	0	0	0	87,286	284,536	399,313	483,371	488,015
10 IGA PROPERTY TAX TRANSFER FROM LFMD #4	0	0	0	0	0	0	0	0	14,467	57,422	96,482
11 INTEREST INCOME - OTHER @ .25%	0	0	0	0	0	2	152	310	1,271	1,811	2,690
12 TOTAL REVENUES	0	0	0	0	81,820	311,980	620,262	904,602	1,034,806	1,174,756	1,161,870
13 EXPENDITURES:											
14 1.5% WELLD COUNTY TREASURER'S COLLECTION FEE	0	0	0	0	1,136	4,333	7,400	8,608	8,608	8,780	7,982
15 IGA TRANSFER TO LFMD #1	0	0	0	0	75,760	241,599	143,522	104,336	104,336	106,423	106,423
16 SERIES 2020 G.O. BONDS DEBT SERVICE (SCH.)	0	0	0	0	0	0	400,000	400,800	401,300	401,500	401,400
17 SERIES 2022 G.O. BONDS DEBT SERVICE (SCH.)	0	0	0	0	0	0	0	0	296,000	298,000	299,700
18 SERIES 2025 G.O. BONDS DEBT SERVICE (SCH.)	0	0	0	0	0	0	0	0	0	0	0
19 SERIES 2030 G.O. BONDS DEBT SERVICE (SCH.)	0	0	0	0	0	0	0	0	0	0	0
20 ADMINISTRATIVE ALLOWANCE	0	0	0	0	4,000	4,120	4,244	4,371	4,502	4,637	4,776
21 BOND PAYING AGENT FEES	0	0	0	0	0	2,000	2,000	2,000	4,000	4,000	4,000
22 TOTAL EXPENDITURES	0	0	0	0	80,896	252,052	557,165	520,115	818,746	823,340	824,281
23 EXCESS REVENUES OVER (UNDER) EXPENDITURES	0	0	0	0	924	59,928	63,097	384,487	216,061	351,416	337,589
24 BOND PROCEEDS AND TRANSFERS TO LFMD #1 CAPITAL PROJECTS FUND:											
25 TRANSFER OF NET G.O. BOND PROCEEDS TO LFMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0	(5,115,000)	0	(3,813,000)	0	0	(3,534,000)
26 TRANSFER OF EXCESS REVENUE TO CAPITAL PROJECTS FUND	0	0	0	0	0	0	0	0	0	0	0
27 PROCEEDS FROM G.O. BONDS (SCH. 2)	0	0	0	0	0	5,500,000	0	4,100,000	0	0	3,800,000
28 COSTS OF BOND ISSUANCE	0	0	0	0	0	(385,000)	0	(287,000)	0	0	(266,000)
29 TOTAL BOND PROCEEDS AND TRANSFERS TO LFMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0	0	0	0	0	0	0
30 FUND BALANCE - JANUARY 1	0	0	0	0	0	924	60,853	123,949	508,436	724,497	1,075,913
31 FUND BALANCE - DECEMBER 31	0	0	0	0	924	60,853	123,949	508,436	724,497	1,075,913	1,413,502
32 TOTAL NON-RATED G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	0	5,500,000	5,430,000	9,455,000	9,325,000	9,185,000	12,835,000
33 % OF NON-RATED G.O. BONDS OUTSTANDING/ASSESSED VALUE	0	0	0	0	0	49.59%	33.20%	49.56%	42.57%	37.79%	49.58%
34 TOTAL ASSESSED VALUE LFMD #2, #3, #4	0	0	0	0	1,377,447	5,252,156	11,090,734	16,354,881	19,079,243	21,906,542	24,308,312

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT # 2
 CASH FLOW FORECAST - BUDGETARY BASIS
 CAHS FLOW AND DEBT SERVICE FUND
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2030

EXHIBIT III - CASH FLOW FORECAST - DISTRICT #2

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
1	0	0	0	0	0	0	0	0	0	0	0
2	316	316	316	316	316	316	316	316	316	316	316
3	10,855,119	10,855,119	11,072,221	11,072,221	11,293,666	11,293,666	11,519,539	11,519,539	11,749,930	11,749,930	11,984,928
4	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	46,000	46,000
5											
6	542,756	542,756	553,611	553,611	564,683	564,683	575,977	575,977	587,486	540,497	551,307
7	43,420	43,420	44,289	44,289	45,175	45,175	46,078	46,078	47,000	43,240	44,105
8	497,741	497,741	507,554	507,554	517,554	517,554	527,745	527,620	538,130	484,560	494,205
9	146,016	174,804	201,486	201,381	205,373	205,263	209,330	209,212	213,356	191,808	195,601
10	3,534	1,361	1,759	2,268	2,787	852	972	1,149	1,336	1,585	1,514
11	1,233,468	1,259,978	1,308,699	1,308,993	1,335,572	1,333,409	1,360,102	1,360,036	1,387,318	1,261,689	1,286,732
12											
13											
14	8,141	8,141	8,304	8,304	8,470	8,470	8,640	8,640	8,812	8,107	8,270
15	108,551	108,551	110,722	110,722	112,937	112,937	115,195	115,195	117,499	117,499	119,849
16	401,000	400,300	399,300	398,000	401,400	399,200	401,700	398,600	400,200	401,200	401,600
17	296,100	297,500	296,600	299,400	299,900	300,100	300,000	299,600	298,900	297,900	296,600
18	278,000	275,000	277,000	273,700	275,400	276,800	277,900	273,700	274,500	275,000	275,200
19	0	0	0	0	0	174,000	172,200	175,400	173,300	176,200	173,800
20	4,919	5,067	5,219	5,376	5,537	5,703	5,874	6,050	6,232	6,419	6,611
21	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
22	1,102,712	1,100,560	1,105,145	1,101,502	1,109,644	1,285,210	1,289,509	1,285,185	1,287,444	1,290,326	1,289,930
23											
24	130,756	159,418	203,553	207,491	225,928	48,199	70,593	74,851	99,875	(28,636)	(3,199)
25											
26	0	0	0	0	(2,232,000)	0	0	0	0	0	0
27	(1,000,000)	0	0	0	(1,000,000)	0	0	0	0	0	0
28	0	0	0	0	2,400,000	0	0	0	0	0	0
29	0	0	0	0	(168,000)	0	0	0	0	0	0
30	(1,000,000)	0	0	0	(1,000,000)	0	0	0	0	0	0
31											
32	1,413,502	544,258	703,676	907,229	1,114,719	340,648	388,846	459,439	534,290	634,165	605,528
33	544,258	703,676	907,229	1,114,719	340,648	388,846	459,439	534,290	634,165	605,528	602,330
34											
35	12,630,000	12,415,000	12,185,000	11,945,000	14,085,000	13,780,000	13,455,000	13,115,000	12,755,000	12,370,000	11,965,000
36	47.55%	44.93%	44.10%	42.38%	49.97%	47.93%	46.80%	44.73%	43.50%	41.36%	40.00%
37	25,895,893	26,563,772	27,631,921	27,631,921	28,184,559	28,184,559	28,748,250	28,748,250	29,323,215	29,323,215	29,909,680
38											
39											

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT # 2
 CASH FLOW FORECAST - BUDGETARY BASIS
 CASH FLOW AND DEBT SERVICE FUND
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2030

EXHIBIT III - CASH FLOW FORECAST - DISTRICT #2

	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
1 INCREMENTAL UNITS ADDED (SCHEDULE 2)											
2 CUMULATIVE UNITS ADDED	316	316	316	316	316	316	316	316	316	316	316
3 ASSESSED VALUATION (SCH. 2)	11,984,928	12,224,627	12,224,627	12,469,120	12,469,120	12,718,502	12,718,502	12,972,872	12,972,872	13,232,329	13,232,329
4 MILL LEVY	46.00	46.00	46.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00
5											
6 REVENUES:											
7 PROPERTY TAXES	551,307	562,333	562,333	548,641	548,641	559,614	559,614	570,806	570,806	582,222	582,222
8 SPECIFIC OWNERSHIP TAXES @.8% OF PROP. TAXES	44,105	44,987	44,987	43,891	43,891	44,769	44,769	45,665	45,665	46,578	46,578
9 IGA PROPERTY TAX TRANSFER FROM LFMD #3	494,065	503,898	503,750	485,419	485,261	494,912	494,745	504,582	504,405	514,432	514,243
10 IGA PROPERTY TAX TRANSFER FROM LFMD #4	195,469	199,333	199,193	191,761	191,612	199,393	199,235	199,086	198,918	202,889	202,662
11 INTEREST INCOME - OTHER @ .25%	1,506	1,482	1,531	1,572	1,504	1,436	1,418	1,398	1,440	1,478	1,578
12 TOTAL REVENUES	<u>1,286,461</u>	<u>1,312,033</u>	<u>1,311,793</u>	<u>1,271,285</u>	<u>1,270,909</u>	<u>1,295,124</u>	<u>1,295,781</u>	<u>1,321,537</u>	<u>1,321,234</u>	<u>1,347,549</u>	<u>1,347,283</u>
13											
14 EXPENDITURES:											
15 1.5% WELD COUNTY TREASURER'S COLLECTION FEE	8,270	8,435	8,435	8,230	8,230	8,304	8,394	8,562	8,562	8,733	8,733
16 IGA TRANSFER TO LFMD #1	119,849	122,246	122,246	124,691	124,691	127,185	127,185	129,729	129,729	132,323	132,323
17 SERIES 2020 G.O. BONDS DEBT SERVICE (SCH. 1)	401,400	400,600	399,200	402,200	399,300	400,800	401,400	401,000	399,900	397,800	399,800
18 SERIES 2022 G.O. BONDS DEBT SERVICE (SCH. 1)	300,000	297,800	300,300	297,200	298,800	299,800	300,200	300,000	299,200	297,800	295,800
19 SERIES 2025 G.O. BONDS DEBT SERVICE (SCH. 1)	275,100	274,700	274,000	278,000	276,400	274,500	277,300	274,500	276,400	277,700	278,400
20 SERIES 2030 G.O. BONDS DEBT SERVICE (SCH. 1)	176,400	173,700	176,000	173,000	175,000	176,700	173,100	174,500	175,600	176,400	176,900
21 ADMINISTRATIVE ALLOWANCE	6,810	7,014	7,224	7,441	7,664	7,894	8,131	8,375	8,626	8,885	9,152
22 BOND PAYING AGENT FEES	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
23 TOTAL EXPENDITURES	<u>1,295,829</u>	<u>1,292,495</u>	<u>1,295,406</u>	<u>1,298,762</u>	<u>1,299,085</u>	<u>1,303,274</u>	<u>1,303,710</u>	<u>1,304,766</u>	<u>1,306,017</u>	<u>1,307,642</u>	<u>1,309,108</u>
24											
25 EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>(9,377)</u>	<u>19,538</u>	<u>16,387</u>	<u>(27,477)</u>	<u>(27,176)</u>	<u>(7,149)</u>	<u>(7,929)</u>	<u>16,771</u>	<u>15,217</u>	<u>39,907</u>	<u>38,175</u>
26											
27 BOND PROCEEDS AND TRANSFERS TO LFMD #1 CAPITAL PROJECTS FUND:											
28 TRANSFER OF NET G.O. BOND PROCEEDS TO LFMD #1 CAPITAL PROJECTS FUND	0	0	0	0	0	0	0	0	0	0	0
29 PROCEEDS OF EXCESS REVENUE TO CAPITAL PROJECTS FUND	0	0	0	0	0	0	0	0	0	0	0
30 COSTS OF BOND ISSUANCE	0	0	0	0	0	0	0	0	0	0	0
31 TOTAL BOND PROCEEDS AND TRANSFERS TO LFMD #1 CAPITAL PROJECTS FUND	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
32											
33 FUND BALANCE - JANUARY 1	602,330	592,952	612,490	628,878	601,400	574,224	567,075	559,146	575,917	591,133	631,041
34											
35 FUND BALANCE - DECEMBER 31	<u>592,952</u>	<u>612,490</u>	<u>628,878</u>	<u>601,400</u>	<u>574,224</u>	<u>567,075</u>	<u>559,146</u>	<u>575,917</u>	<u>591,133</u>	<u>631,041</u>	<u>669,215</u>
36											
37 TOTAL NON-RATED G.O. BONDS OUTSTANDING @ 12/31	11,530,000	11,075,000	10,590,000	10,075,000	9,530,000	8,950,000	8,335,000	7,685,000	6,995,000	6,265,000	5,490,000
38 % OF NON-RATED G.O. BONDS OUTSTANDING/ASSESSED VALUE	37.75%	36.30%	34.03%	32.38%	30.02%	28.20%	25.75%	23.74%	21.18%	18.97%	16.30%
39 TOTAL ASSESSED VALUE LFMD #2, #3, #4	<u>29,909,680</u>	<u>30,507,873</u>	<u>30,507,873</u>	<u>31,118,031</u>	<u>31,118,031</u>	<u>31,740,391</u>	<u>31,740,391</u>	<u>32,375,199</u>	<u>32,375,199</u>	<u>33,022,703</u>	<u>33,022,703</u>

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT # 2
 CASH FLOW FORECAST - BUDGETARY BASIS
 CASH FLOW AND DEBT SERVICE FUND
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2030

EXHIBIT III - CASH FLOW FORECAST - DISTRICT #2

	2048	2049	2050	2051	TOTALS
1 INCREMENTAL UNITS ADDED (SCHEDULE 2)	0	0	0	0	316
2 CUMULATIVE UNITS ADDED	316	316	316	316	316
3 ASSESSED VALUATION (SCH. 2)	13,496,976	13,496,976	13,766,916	13,766,916	13,766,916
4 MILL LEVY	44.00	44.00	44.00	44.00	44.00
5					
6 REVENUES:					
7 PROPERTY TAXES	593,867	593,867	605,744	605,744	17,874,236
8 SPECIFIC OWNERSHIP TAXES @.8% OF PROP. TAXES	47,509	47,509	48,460	48,460	1,429,939
9 IGA PROPERTY TAX TRANSFER FROM LFMD #3	524,463	524,464	534,680	534,468	14,977,734
10 IGA PROPERTY TAX TRANSFER FROM LFMD #4	206,654	206,466	210,530	210,330	5,327,483
11 INTEREST INCOME - OTHER @ .25%	1,673	1,819	1,975	2,373	49,534
12 TOTAL REVENUES	1,374,167	1,373,925	1,401,389	1,401,375	39,658,925
13					
14 EXPENDITURES:					
15 1.5% WELD COUNTY TREASURER'S COLLECTION FEE	8,908	8,908	9,086	9,086	268,114
16 IGA TRANSFER TO LFMD #1	134,970	134,970	137,669	137,669	4,069,533
17 SERIES 2020 G.O. BONDS DEBT SERVICE (SCH. 1)	400,600	403,200	328,600	0	11,940,400
18 SERIES 2022 G.O. BONDS DEBT SERVICE (SCH. 1)	298,200	299,700	300,300	530,000	8,893,400
19 SERIES 2025 G.O. BONDS DEBT SERVICE (SCH. 1)	278,500	278,000	276,900	870,200	7,772,800
20 SERIES 2030 G.O. BONDS DEBT SERVICE (SCH. 1)	177,100	172,000	171,900	171,500	3,664,700
21 ADMINISTRATIVE ALLOWANCE	9,426	9,709	10,300	220,311	220,311
22 BOND PAYING AGENT FEES	8,000	8,000	8,000	6,000	214,000
23 TOTAL EXPENDITURES	1,315,704	1,311,487	1,242,456	1,734,756	37,043,258
24					
25 EXCESS REVENUES OVER (UNDER) EXPENDITURES	58,463	62,438	158,934	(333,381)	2,615,669
26					
27 BOND PROCEEDS AND TRANSFERS TO LFMD #1 CAPITAL PROJECTS FUND:					
28 TRANSFER OF NET G.O. BOND PROCEEDS TO LFMD #1 CAPITAL PROJECTS FUND	0	0	0	0	(14,894,000)
29 PROCEEDS FROM G.O. BONDS (SCH. 2)	0	0	0	0	(2,000,000)
30 COSTS OF BOND ISSUANCE	0	0	0	0	15,800,000
31 TOTAL BOND PROCEEDS AND TRANSFERS TO LFMD #1 CAPITAL PROJECTS FUND	0	0	0	0	(1,106,000)
32					
33 FUND BALANCE - JANUARY 1	669,215	727,678	790,116	949,050	0
34					
35 FUND BALANCE - DECEMBER 31	727,678	790,116	949,050	615,669	615,669
36					
37 TOTAL NON-RATED G.O. BONDS OUTSTANDING @ 12/31	4,665,000	3,795,000	2,945,000	1,550,000	1,550,000
38 % OF NON-RATED G.O. BONDS OUTSTANDING/ASSESSED VALUE	13.85%	11.05%	8.57%	4.42%	4.42%
39 TOTAL ASSESSED VALUE LFMD #2, #3, #4	33,683,157	33,683,157	34,356,821	34,356,821	34,356,821

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)
 CASH FLOW FORECAST - BUDGETARY BASIS
 DEBT SERVICE FUND
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

DRAFT DATED 10-27-2015
 SUBJECT TO CHANGE & REVISION

SCHEDULE 1 - GENERAL OBLIGATION BOND ISSUES
 AND DEBT SERVICE REQUIREMENTS

BOND ISSUES

BOND ISSUE DATE	NET PROCEEDS	CAPITALIZED INTEREST	OTHER COSTS	GROSS BOND ISSUE
12/01/2020 NON-RATED	5,115,000	0	365,000	5,500,000
12/01/2022 NON-RATED	3,613,000	0	287,000	4,100,000
12/01/2025 NON-RATED	3,534,000	0	266,000	3,800,000
12/01/2030 NON-RATED	2,232,000	0	168,000	2,400,000
TOTALS	14,694,000	0	1,106,000	15,800,000

ANNUAL DEBT SERVICE REQUIREMENTS

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	0	0	0	0	0	0	400,000	400,800	401,300	401,500	401,400
	0	0	0	0	0	0	0	0	296,000	298,000	299,700
	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	400,000	400,800	697,300	699,500	701,100
TOTALS	0	0	0	0	0	0	400,000	400,800	697,300	699,500	701,100

DETAILED ANNUAL DEBT SERVICE REQUIREMENTS:

12/01/2020 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	0	0	0	0	0	0	0	0	85,000	90,000
		TOTAL DEBT SERVICE	0	0	0	330,000	325,800	321,300	316,500	311,400	316,500	311,400
		TOTAL G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	400,000	401,300	401,500	401,500	401,500	401,400
12/01/2022 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	0	0	0	0	0	0	0	0	55,000	60,000
		TOTAL DEBT SERVICE	0	0	0	0	0	0	0	0	246,000	243,000
		TOTAL G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	0	0	0	0	296,000	299,700
12/01/2025 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	0	0	0	0	0	0	0	0	55,000	60,000
		TOTAL DEBT SERVICE	0	0	0	0	0	0	0	0	246,000	243,000
		TOTAL G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	0	4,100,000	4,050,000	3,995,000	3,935,000	3,880,000
12/01/2030 NON-RATED	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	0	0	0	0	0	0	0	0	0	0
		TOTAL DEBT SERVICE	0	0	0	0	0	0	0	0	0	0
		TOTAL G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	0	0	0	0	0	0
		TOTAL G.O. NON-RATED BONDS OUTSTANDING @ 12/31	0	0	0	0	5,430,000	9,455,000	9,325,000	9,185,000	12,835,000	12,835,000

Note 1 Series 2016 and future Series debt service payments will continue at the same level as 2044 until the bonds are redeemed in year 30
 SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)
 CASH FLOW FORECAST - BUDGETARY BASIS
 DEBT SERVICE FUND
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

SCHEDULE 1 - GENERAL OBLIGATION BOND ISSUES
 AND DEBT SERVICE REQUIREMENTS

BOND ISSUES

BOND ISSUE DATE	NET PROCEEDS	CAPITALIZED INTEREST	OTHER COSTS	GROSS BOND ISSUE
12/01/2020 NON-RATED	5,115,000	0	385,000	5,500,000
12/01/2022 NON-RATED	3,813,000	0	287,000	4,100,000
12/01/2025 NON-RATED	3,534,000	0	256,000	3,800,000
12/01/2030 NON-RATED	2,232,000	0	168,000	2,400,000
TOTALS	14,694,000	0	1,106,000	15,800,000

DETAILED ANNUAL DEBT SERVICE REQUIREMENTS:

BOND ISSUE DATE	NEW \$ 30 YR	PRINCIPAL INTEREST @ 6.0%	TOTAL DEBT SERVICE	TOTAL G.O. BONDS OUTSTANDING @ 12/31	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
12/01/2020 NON-RATED					401,000	400,300	399,300	388,000	401,400	399,200	401,700	398,600	400,200	401,200	401,600
					296,100	297,500	298,600	289,400	299,900	300,100	300,000	299,600	298,900	297,900	296,600
					278,000	275,000	277,000	273,700	275,400	276,800	277,900	273,700	274,500	275,000	275,200
					0	0	0	0	0	174,000	172,200	175,400	173,300	176,200	173,800
TOTALS					975,100	972,800	974,900	971,100	976,700	976,100	979,600	971,900	973,600	974,100	973,400
12/01/2022 NON-RATED					95,000	100,000	105,000	110,000	120,000	125,000	135,000	140,000	150,000	160,000	170,000
					306,000	300,300	294,300	288,000	281,400	274,200	266,700	258,600	250,200	241,200	231,600
					401,000	400,300	399,300	398,000	401,400	399,200	401,700	398,600	400,200	401,200	401,600
					5,005,000	4,505,000	4,809,000	4,690,000	4,570,000	4,445,000	4,310,000	4,170,000	4,020,000	3,860,000	3,690,000
TOTALS					60,000	65,000	70,000	75,000	80,000	85,000	90,000	95,000	100,000	105,000	110,000
					236,100	232,500	228,600	224,400	219,900	215,100	210,000	204,600	198,900	192,900	186,600
					296,100	297,500	298,600	289,400	299,900	300,100	300,000	299,600	298,900	297,900	296,600
					3,875,000	3,810,000	3,740,000	3,665,000	3,585,000	3,500,000	3,410,000	3,315,000	3,215,000	3,110,000	3,000,000
12/01/2025 NON-RATED					50,000	50,000	55,000	55,000	60,000	65,000	70,000	70,000	75,000	80,000	85,000
					228,000	225,000	222,000	218,700	215,400	211,800	207,900	203,700	199,500	195,000	190,200
					278,000	275,000	277,000	273,700	275,400	276,800	277,900	273,700	274,500	275,000	275,200
					3,750,000	3,700,000	3,645,000	3,590,000	3,530,000	3,465,000	3,395,000	3,325,000	3,250,000	3,170,000	3,085,000
TOTALS					0	0	0	0	0	30,000	30,000	35,000	35,000	40,000	40,000
					0	0	0	0	0	144,000	142,200	140,400	138,300	136,200	133,800
					0	0	0	0	0	174,000	172,200	175,400	173,300	176,200	173,800
					0	0	0	0	2,400,000	2,370,000	2,340,000	2,305,000	2,270,000	2,230,000	2,190,000
TOTAL G.O. NON-RATED BONDS OUTSTANDING @ 12/31					12,630,000	12,415,000	12,185,000	11,945,000	14,085,000	13,780,000	13,455,000	13,115,000	12,755,000	12,370,000	11,965,000

Note 1. Series 2016 and future Series debt service payments will continue at the same level as 2044 until the bonds are redeemed in year 30

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)
CASH FLOW FORECAST - BUDGETARY BASIS
DEBT SERVICE FUND
FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

SCHEDULE 1 - GENERAL OBLIGATION BOND ISSUES
AND DEBT SERVICE REQUIREMENTS

BOND ISSUES

SIZE OF GENERAL OBLIGATION BOND ISSUES															
BOND ISSUE DATE	NET PROCEEDS	CAPITALIZED INTEREST	OTHER COSTS	GROSS BOND ISSUE	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
12/01/2020 NON-RATED	5,115,000	0	385,000	5,500,000	401,400	400,600	399,200	402,200	399,300	400,800	401,400	401,100	399,900	397,800	399,800
12/01/2022 NON-RATED	3,813,000	0	287,000	4,100,000	300,000	297,800	300,300	297,200	298,800	299,800	300,200	300,000	299,200	297,800	295,800
12/01/2025 NON-RATED	3,534,000	0	266,000	3,800,000	275,100	274,700	274,000	278,000	276,400	274,500	277,300	274,500	276,400	277,700	278,400
12/01/2030 NON-RATED	2,232,000	0	168,000	2,400,000	176,400	173,700	176,000	173,000	175,000	176,700	173,100	174,500	175,600	176,400	176,900
TOTALS	14,694,000	0	1,106,000	15,800,000	976,500	973,100	973,500	977,400	974,500	975,100	978,900	975,600	975,500	973,300	974,000

DETAILED ANNUAL DEBT SERVICE REQUIREMENTS:

12/01/2020 NON-RATED	NEW \$ 30 YR	PRINCIPAL	180,000	190,000	200,000	215,000	225,000	240,000	255,000	270,000	285,000	300,000	320,000
		INTEREST @ 6.0%	221,400	210,600	199,200	187,200	174,300	160,800	146,400	131,100	114,900	97,800	79,800
		TOTAL DEBT SERVICE	401,400	400,600	399,200	402,200	399,300	400,800	401,400	401,100	399,900	397,800	399,800
		TOTAL G.O. BONDS OUTSTANDING @ 12/31	3,510,000	3,320,000	3,120,000	2,905,000	2,680,000	2,440,000	2,185,000	1,915,000	1,630,000	1,330,000	1,010,000
12/01/2022 NON-RATED	NEW \$ 30 YR	PRINCIPAL	120,000	125,000	135,000	140,000	150,000	160,000	170,000	180,000	190,000	200,000	210,000
		INTEREST @ 6.0%	180,000	172,800	165,300	157,200	148,800	139,800	130,200	120,000	109,200	97,800	85,800
		TOTAL DEBT SERVICE	300,000	297,800	300,300	297,200	298,800	299,800	300,200	300,000	299,200	297,800	295,800
		TOTAL G.O. BONDS OUTSTANDING @ 12/31	2,880,000	2,755,000	2,620,000	2,480,000	2,330,000	2,170,000	2,000,000	1,820,000	1,630,000	1,430,000	1,220,000
12/01/2025 NON-RATED	NEW \$ 30 YR	PRINCIPAL	90,000	95,000	100,000	110,000	115,000	120,000	130,000	135,000	145,000	155,000	165,000
		INTEREST @ 6.0%	185,100	179,700	174,000	168,000	161,400	154,500	147,300	139,500	131,400	122,700	113,400
		TOTAL DEBT SERVICE	275,100	274,700	274,000	278,000	276,400	274,500	277,300	274,500	276,400	277,700	278,400
		TOTAL G.O. BONDS OUTSTANDING @ 12/31	2,995,000	2,900,000	2,800,000	2,690,000	2,575,000	2,455,000	2,325,000	2,190,000	2,045,000	1,890,000	1,725,000
12/01/2030 NON-RATED	NEW \$ 30 YR	PRINCIPAL	45,000	45,000	50,000	50,000	55,000	60,000	60,000	65,000	70,000	75,000	80,000
		INTEREST @ 6.0%	131,400	128,700	126,000	123,000	120,000	116,700	113,100	109,500	105,600	101,400	96,900
		TOTAL DEBT SERVICE	176,400	173,700	176,000	173,000	175,000	176,700	173,100	174,500	175,600	176,400	176,900
		TOTAL G.O. BONDS OUTSTANDING @ 12/31	2,145,000	2,100,000	2,050,000	2,000,000	1,945,000	1,885,000	1,825,000	1,760,000	1,690,000	1,615,000	1,535,000
TOTAL G.O. NON-RATED BONDS OUTSTANDING @ 12/31			11,530,000	11,075,000	10,590,000	10,075,000	9,530,000	8,950,000	8,335,000	7,685,000	6,995,000	6,265,000	5,490,000

Note 1: Series 2016 and future Series debt service payments will continue at the same level as 2044 until the bonds are redeemed in year 30

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT #1 (SERVICE DISTRICT)
 CASH FLOW FORECAST - BUDGETARY BASIS
 DEBT SERVICE FUND
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2051

SCHEDULE 1 - GENERAL OBLIGATION BOND ISSUES
 AND DEBT SERVICE REQUIREMENTS

BOND ISSUES

SIZE OF GENERAL OBLIGATION BOND ISSUES					
BOND ISSUE DATE	NET PROCEEDS	CAPITALIZED INTEREST	OTHER COSTS	GROSS BOND ISSUE	
					<u>2048</u> <u>2049</u> <u>2050</u> <u>2051</u> <u>TOTALS</u>
12/01/2020 NON-RATED	5,115,000	0	385,000	5,500,000	400,600 400,200 328,600 0 11,940,400
12/01/2022 NON-RATED	3,813,000	0	287,000	4,100,000	298,200 299,700 300,300 530,000 8,893,400
12/01/2025 NON-RATED	3,534,000	0	266,000	3,800,000	278,500 278,000 276,900 870,200 7,772,800
12/01/2030 NON-RATED	2,232,000	0	168,000	2,400,000	177,100 172,000 171,900 171,500 3,664,700
TOTALS	14,694,000	0	1,106,000	15,800,000	977,300 977,900 905,800 1,400,200 28,606,600

DETAILED ANNUAL DEBT SERVICE REQUIREMENTS:

12/01/2020 NON-RATED	NEW \$ 30 YR	PRINCIPAL	340,000	360,000	310,000	0	5,500,000
		INTEREST @ 6.0%	60,600	40,200	18,600	0	6,440,400
		TOTAL DEBT SERVICE	400,600	400,200	328,600	0	11,940,400
		TOTAL G.O. BONDS OUTSTANDING @ 12/31	670,000	310,000	0	0	0
12/01/2022 NON-RATED	NEW \$ 30 YR	PRINCIPAL	225,000	240,000	255,000	500,000	4,100,000
		INTEREST @ 6.0%	73,200	59,700	45,300	30,000	4,793,400
		TOTAL DEBT SERVICE	298,200	299,700	300,300	530,000	8,893,400
		TOTAL G.O. BONDS OUTSTANDING @ 12/31	995,000	755,000	500,000	0	0
12/01/2025 NON-RATED	NEW \$ 30 YR	PRINCIPAL	175,000	185,000	195,000	800,000	3,430,000
		INTEREST @ 6.0%	103,500	93,000	81,900	70,200	4,342,800
		TOTAL DEBT SERVICE	278,500	278,000	276,900	870,200	7,772,800
		TOTAL G.O. BONDS OUTSTANDING @ 12/31	1,550,000	1,365,000	1,170,000	370,000	370,000
12/01/2030 NON-RATED	NEW \$ 30 YR	PRINCIPAL	85,000	85,000	90,000	95,000	1,220,000
		INTEREST @ 6.0%	92,100	87,000	81,900	76,500	2,444,700
		TOTAL DEBT SERVICE	177,100	172,000	171,900	171,500	3,664,700
		TOTAL G.O. BONDS OUTSTANDING @ 12/31	1,450,000	1,365,000	1,275,000	1,180,000	1,180,000
		TOTAL G.O. NON-RATED BONDS OUTSTANDING @ 12/31	4,665,000	3,795,000	2,945,000	1,550,000	1,550,000

Note 1: Series 2016 and future Series debt service payments will continue at the same level as 2044 until the bonds are redeemed in year 30.

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT # 2
 FORECASTED BUILDOUT AND ASSESSED VALUATION
 FOR THE YEARS ENDING DECEMBER 31, 2015 THROUGH 2020

DRAFT DATED 10-27-2015
 SUBJECT TO CHANGE & REVISION

SCHEDULE 2 - DEVELOPERS ESTIMATED BUILDOUT
 AND ASSESSED VALUATION FROM BUILDOUT

BUILDOUT/LANDUSE (INCLUDING LOT VALUES):										
Description of Units/Planning Area	Planned Number Units	Average Per Unit Price	Total Gross Volume	2015	2016	2017	2018	2019	2020	TOTALS
Residential										
Phase I SFD	49	425,060	20,827,940	0	0	16	24	9	0	49
Phase I Patio	27	369,675	9,981,225	0	0	12	15	0	0	27
Phase I Paired	61	358,015	21,838,915	0	0	16	24	21	0	61
Phase II SFD	45	433,561	19,510,245	0	0	0	16	24	5	45
Phase II Patio	42	377,069	15,836,898	0	0	0	12	18	12	42
Phase II Paired	52	365,175	18,989,100	0	0	0	16	24	12	52
Phase II TH/Flex	40	325,000	13,000,000	0	0	0	12	18	10	40
Total Incremental Residential	316	379,697	119,984,323	0	0	44	119	114	39	316
Total Cumulative Residential				0	0	44	163	277	316	316
SOURCE: West Range Development										

Estimated Values (Uninflated):

Phase I SFD	0	0	6,800,960	10,201,440	3,825,540	0	20,827,940
Phase I Patio	0	0	4,436,100	5,545,125	0	0	9,981,225
Phase I Paired	0	0	5,728,240	8,592,360	7,518,315	0	21,838,915
Phase II SFD	0	0	0	6,936,976	10,405,464	2,167,805	19,510,245
Phase II Patio	0	0	0	4,524,828	6,787,242	4,524,828	15,836,898
Phase II Paired	0	0	0	5,842,800	8,764,200	4,382,100	18,989,100
Phase II TH/Flex	0	0	0	3,900,000	5,850,000	3,250,000	13,000,000
Estimated Value Of Buildout - Entire Project (Uninflated)	0	0	16,965,300	45,543,529	43,150,761	14,324,733	119,984,323
Estimated Value Of Buildout - Entire Project (Assume Home Price Inflates 2% annually beg. In 2018)	0	0	16,965,300	46,454,400	44,894,052	15,201,521	123,515,273

Proj. Assessed Value - Incremental (7.96%):

Total Incremental Assessed Valuation - All Sources	0	0	1,350,438	3,697,770	3,573,567	1,210,041	9,831,816
Proj. Assessed Value By Year - Cumulative (Uninflated):	0	0	1,350,438	5,048,208	8,621,775	9,831,816	9,831,816
Proj. Assessed Value By Year - Cumulative (inflated 2% Every Other Year Beg. In 2018):	0	0	1,377,447	5,252,156	8,970,094	10,433,601	10,433,601

Year Assessed Valuation Certified To LFMD #2

2016 2017 2018 2019 2020 2021

Year Taxes Received By LFMD #2

2017 2018 2019 2020 2021 2022

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT # 3
 CASH FLOW FORECAST - BUDGETARY BASIS
 GENERAL FUND AND DEBT SERVICE FUND COMBINED
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2030

DRAFT DATED 10-27-2015
 SUBJECT TO CHANGE & REVISION

EXHIBIT IV - CASH FLOW FORECAST - DISTRICT #3

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
1 INCREMENTAL RESIDENTIAL UNITS (SCHEDULE 3)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>68</u>	<u>115</u>	<u>71</u>	<u>42</u>	<u>35</u>	<u>0</u>
2 CUMULATIVE RESIDENTIAL UNITS (SCH. 3)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>68</u>	<u>183</u>	<u>254</u>	<u>296</u>	<u>331</u>	<u>331</u>
3 ASSESSED VALUATION (SCH. 3)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,120,640</u>	<u>5,921,280</u>	<u>8,286,062</u>	<u>10,018,520</u>
4 MILL LEVY	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>55.00</u>	<u>55.00</u>	<u>55.00</u>	<u>55.00</u>
5										
6 REVENUES:										
7 PROPERTY TAXES	0	0	0	0	0	0	116,635	325,670	455,733	551,019
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP. TAXES	0	0	0	0	0	0	9,331	26,054	36,459	44,081
9 INTEREST INCOME - OTHER @ .25%	0	0	0	0	0	0	0	0	0	0
10 TOTAL REVENUES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>125,966</u>	<u>351,724</u>	<u>492,192</u>	<u>595,100</u>
11										
12 EXPENDITURES:										
13 1.5% LARIMER COUNTY TREASURER'S COLLECTION FEE	0	0	0	0	0	0	1,750	4,885	6,836	8,265
14 IGA TRANSFER TO LFMD #1	0	0	0	0	0	0	33,930	59,213	82,861	100,185
15 IGA TRANSFER TO LFMD #2	0	0	0	0	0	0	87,286	284,536	399,313	483,371
16 ADMINISTRATIVE ALLOWANCE	0	0	0	0	0	0	3,000	3,090	3,183	3,278
17 BOND PAYING AGENT FEES	0	0	0	0	0	0	0	0	0	0
18 TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>125,966</u>	<u>351,724</u>	<u>492,192</u>	<u>595,100</u>
19										
20 EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
21										
22 FUND BALANCE - JANUARY 1	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
23										
24 FUND BALANCE - DECEMBER 31	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT # 3
 CASH FLOW FORECAST - BUDGETARY BASIS
 GENERAL FUND AND DEBT SERVICE FUND COMBINED
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2030

EXHIBIT IV - CASH FLOW FORECAST - DISTRICT #3

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
1 INCREMENTAL RESIDENTIAL UNITS (SCHEDULE 3)	0	0	0	0	0	0	0	0	0	0	0
2 CUMULATIVE RESIDENTIAL UNITS (SCH. 3)	<u>331</u>	<u>331</u>	<u>331</u>	<u>331</u>	<u>331</u>	<u>331</u>	<u>331</u>	<u>331</u>	<u>331</u>	<u>331</u>	<u>331</u>
3 ASSESSED VALUATION (SCH. 3)	<u>11,361,646</u>	<u>11,588,879</u>	<u>11,588,879</u>	<u>11,820,656</u>	<u>11,820,656</u>	<u>12,057,069</u>	<u>12,057,069</u>	<u>12,298,211</u>	<u>12,298,211</u>	<u>12,544,175</u>	<u>12,544,175</u>
4 MILL LEVY	<u>50.00</u>	<u>50.00</u>	<u>50.00</u>	<u>50.00</u>	<u>50.00</u>	<u>50.00</u>	<u>50.00</u>	<u>50.00</u>	<u>50.00</u>	<u>50.00</u>	<u>46.00</u>
5											
6 REVENUES:											
7 PROPERTY TAXES	568,082	579,444	579,444	591,033	591,033	602,853	602,853	614,911	614,911	627,209	577,032
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP. TAXES	45,447	46,356	46,356	47,283	47,283	48,228	48,228	49,193	49,193	50,177	46,163
9 INTEREST INCOME - OTHER @ .25%	0	0	0	0	0	0	0	0	0	0	0
10 TOTAL REVENUES	<u>613,529</u>	<u>625,799</u>	<u>625,799</u>	<u>638,315</u>	<u>638,315</u>	<u>651,082</u>	<u>651,082</u>	<u>664,103</u>	<u>664,103</u>	<u>677,385</u>	<u>623,195</u>
11											
12 EXPENDITURES:											
13 1.5% LARIMER COUNTY TREASURER'S COLLECTION FEE	8,521	8,692	8,692	8,865	8,865	9,043	9,043	9,224	9,224	9,408	8,655
14 IGA TRANSFER TO LFMD #1	113,616	115,889	115,889	118,207	118,207	120,571	120,571	122,982	122,982	125,442	125,442
15 IGA TRANSFER TO LFMD #2	488,015	497,741	497,637	507,554	507,443	517,554	517,437	527,745	527,620	538,130	484,560
16 ADMINISTRATIVE ALLOWANCE	3,377	3,478	3,582	3,690	3,800	3,914	4,032	4,153	4,277	4,406	4,538
17 BOND PAYING AGENT FEES	0	0	0	0	0	0	0	0	0	0	0
18 TOTAL EXPENDITURES	<u>613,529</u>	<u>625,799</u>	<u>625,799</u>	<u>638,315</u>	<u>638,315</u>	<u>651,082</u>	<u>651,082</u>	<u>664,103</u>	<u>664,103</u>	<u>677,385</u>	<u>623,195</u>
19											
20 EXCESS REVENUES OVER (UNDER) EXPENDITURES	0	0	0	0	0	0	0	0	0	0	0
21											
22 FUND BALANCE - JANUARY 1	0	0	0	0	0	0	0	0	0	0	0
23											
24 FUND BALANCE - DECEMBER 31	0	0	0	0	0	0	0	0	0	0	0

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT # 3
 CASH FLOW FORECAST - BUDGETARY BASIS
 GENERAL FUND AND DEBT SERVICE FUND COMBINED
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2030

EXHIBIT IV - CASH FLOW FORECAST - DISTRICT #3

	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046
1 INCREMENTAL RESIDENTIAL UNITS (SCHEDULE 3)	0	0	0	0	0	0	0	0	0	0	0
2 CUMULATIVE RESIDENTIAL UNITS (SCH. 3)	331	331	331	331	331	331	331	331	331	331	331
3 ASSESSED VALUATION (SCH. 3)	12,795,058	12,795,058	13,050,960	13,050,960	13,311,979	13,311,979	13,578,218	13,578,218	13,849,783	13,849,783	14,126,778
4 MILL LEVY	46.00	46.00	46.00	46.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00
5											
6 REVENUES:											
7 PROPERTY TAXES	588,573	588,573	600,344	600,344	585,727	585,727	597,442	597,442	609,390	609,390	621,578
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP. TAXES	47,086	47,086	48,028	48,028	46,858	46,858	47,795	47,795	48,751	48,751	49,726
9 INTEREST INCOME - OTHER @ .25%	0	0	0	0	0	0	0	0	0	0	0
10 TOTAL REVENUES	635,659	635,659	648,372	648,372	632,585	632,585	645,237	645,237	658,142	658,142	671,305
11											
12 EXPENDITURES:											
13 1.5% LARIMER COUNTY TREASURER'S COLLECTION FEE	8,829	8,829	9,005	9,005	8,786	8,786	8,962	8,962	9,141	9,141	9,324
14 IGA TRANSFER TO LFMD #1	127,951	127,951	130,510	130,510	133,120	133,120	135,782	135,782	138,498	138,498	141,268
15 IGA TRANSFER TO LFMD #2	494,205	494,065	503,898	503,750	485,419	485,261	494,912	494,745	504,582	504,405	514,432
16 ADMINISTRATIVE ALLOWANCE	4,674	4,814	4,959	5,107	5,261	5,418	5,581	5,748	5,921	6,098	6,281
17 BOND PAYING AGENT FEES	0	0	0	0	0	0	0	0	0	0	0
18 TOTAL EXPENDITURES	635,659	635,659	648,372	648,372	632,585	632,585	645,237	645,237	658,142	658,142	671,305
19											
20 EXCESS REVENUES OVER (UNDER) EXPENDITURES	0	0	0	0	0	0	0	0	0	0	0
21											
22 FUND BALANCE - JANUARY 1	0	0	0	0	0	0	0	0	0	0	0
23											
24 FUND BALANCE - DECEMBER 31	0	0	0	0	0	0	0	0	0	0	0

SEE CONSULTANTS REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT # 3
 CASH FLOW FORECAST - BUDGETARY BASIS
 GENERAL FUND AND DEBT SERVICE FUND COMBINED
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2030

EXHIBIT IV - CASH FLOW FORECAST - DISTRICT #3

	<u>2047</u>	<u>2048</u>	<u>2049</u>	<u>2050</u>	<u>2051</u>	<u>TOTALS</u>
1 INCREMENTAL RESIDENTIAL UNITS (SCHEDULE 3)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>331</u>
2 CUMULATIVE RESIDENTIAL UNITS (SCH. 3)	<u>331</u>	<u>331</u>	<u>331</u>	<u>331</u>	<u>331</u>	<u>331</u>
3 ASSESSED VALUATION (SCH. 3)	<u>14,126,778</u>	<u>14,409,314</u>	<u>14,409,314</u>	<u>14,697,500</u>	<u>14,697,500</u>	
4 MILL LEVY	<u>44 00</u>	<u>44 00</u>	<u>44 00</u>	<u>44 00</u>	<u>44 00</u>	
5						
6 REVENUES:						
7 PROPERTY TAXES	621,578	634,010	634,010	646,690	646,690	17,765,370
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP TAXES	49,726	50,721	50,721	51,735	51,735	1,421,230
9 INTEREST INCOME - OTHER @ .25%	0	0	0	0	0	0
10 TOTAL REVENUES	<u>671,305</u>	<u>684,731</u>	<u>684,731</u>	<u>698,425</u>	<u>698,425</u>	<u>19,186,600</u>
11						
12 EXPENDITURES:						
13 1 5% LARIMER COUNTY TREASURER'S COLLECTION FEE	9,324	9,510	9,510	9,700	9,700	266,481
14 IGA TRANSFER TO LFMD #1	141,268	144,093	144,093	146,975	146,975	3,792,377
15 IGA TRANSFER TO LFMD #2	514,243	524,463	524,264	534,680	534,468	14,977,734
16 ADMINISTRATIVE ALLOWANCE	6,470	6,664	6,864	7,070	7,282	150,008
17 BOND PAYING AGENT FEES	0	0	0	0	0	0
18 TOTAL EXPENDITURES	<u>671,305</u>	<u>684,731</u>	<u>684,731</u>	<u>698,425</u>	<u>698,425</u>	<u>19,186,600</u>
19						
20 EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
21						
22 FUND BALANCE - JANUARY 1	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
23						
24 FUND BALANCE - DECEMBER 31	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT # 3
 FORECASTED BUILDOUT AND ASSESSED VALUATION
 FOR THE YEARS ENDING DECEMBER 31, 2015 THROUGH 2020

DRAFT DATED 10-27-2015
 SUBJECT TO CHANGE & REVISION

SCHEDULE 3 - DEVELOPERS ESTIMATED BUILDOUT
 AND ASSESSED VALUATION FROM BUILDOUT

BUILDOUT/LANDUSE (INCLUDING LOT VALUES):			
Description of Units/Planning Area	Planned Number	Average Per Unit Price	Total Gross Volume
Residential			
Phase III SFD	31	442,232	13,709,192
Phase III Patio	33	384,610	12,692,130
Phase III Paired	34	372,479	12,664,286
Phase III TH/Flex	46	331,500	15,249,000
Phase III Flex	40	331,500	13,260,000
Phase IV SFD	85	460,357	39,130,345
Phase IV Flex	62	338,130	20,964,060
Total Incremental Residential	331	385,707	127,669,013
Total Cumulative Residential			

SOURCE: West Range Development

Estimated Values (Uninflated):

Phase III SFD	0	0	0	0	7,075,712	6,633,480	0	0
Phase III Patio	0	0	0	0	4,615,320	6,922,980	1,153,830	0
Phase III Paired	0	0	0	0	5,959,664	6,704,622	0	0
Phase III TH/Flex	0	0	0	0	3,978,000	5,967,000	5,304,000	0
Phase III Flex	0	0	0	0	3,978,000	5,967,000	3,315,000	0
Phase IV SFD	0	0	0	0	0	7,365,712	11,048,568	11,048,568
Phase IV Flex	0	0	0	0	0	4,057,560	6,086,340	6,086,340
Estimated Value Of Buildout - Entire Project (Uninflated)	0	0	0	0	25,606,696	43,618,354	26,907,738	17,134,908
Estimated Value Of Buildout - Entire Project (Assume Home Price Inflates 2% annually beg. In 2020)	0	0	0	0	25,606,696	44,490,721	27,994,811	18,183,701

Proj. Assessed Value - Incremental (7.96%):

Total Incremental Assessed Valuation - All Sources	0	0	0	0	2,038,293	3,541,461	2,228,387	1,447,423
Proj. Assessed Value By Year - Cumulative (Uninflated):	0	0	0	0	2,038,293	5,579,754	7,808,141	9,255,564
Proj. Assessed Value By Year - Cumulative (inflated 2% Every Other Year Beg. In 2018):	0	0	0	0	2,120,640	5,921,280	8,286,062	10,018,520

Year Assessed Valuation Certified To LFMD #3

2016	2017	2018	2019	2020	2021	2022	2023	2024
------	------	------	------	------	------	------	------	------

Year Taxes Received By LFMD #3

2017	2018	2019	2020	2021	2022	2023	2024
------	------	------	------	------	------	------	------

LEE FARM METROPOLITAN DISTRICT # 3
 FORECASTED BUILDOUT AND ASSESSED VALUATION
 FOR THE YEARS ENDING DECEMBER 31, 2015 THROUGH 2020

SCHEDULE 3 - DEVELOPERS ESTIMATED BUILDOUT
 AND ASSESSED VALUATION FROM BUILDOUT

BUILDOUT/LANDUSE (INCLUDING LOT VALUES):						
<u>Description of Units/Planning Area</u>	<u>Planned</u>	<u>Average</u>	<u>Total</u>	<u>2023</u>	<u>2024</u>	<u>TOTALS</u>
	<u>Number</u>	<u>Per Unit</u>	<u>Gross</u>			
	<u>Units</u>	<u>Price</u>	<u>Volume</u>			
Residential						
Phase III SFD	31	442,232	13,709,192	0	0	31
Phase III Patio	33	384,610	12,692,130	0	0	33
Phase III Paired	34	372,479	12,664,286	0	0	34
Phase III TH/Flex	46	331,500	15,249,000	0	0	46
Phase III Flex	40	331,500	13,260,000	0	0	40
Phase IV SFD	85	460,357	39,130,345	21	0	85
Phase IV Flex	<u>62</u>	<u>338,130</u>	<u>20,964,060</u>	14	0	<u>62</u>
Total Incremental Residential	<u>331</u>	<u>385,707</u>	<u>127,669,013</u>	<u>35</u>	<u>0</u>	<u>331</u>
Total Cumulative Residential				<u>331</u>	<u>331</u>	<u>331</u>
SOURCE: West Range Development						

Estimated Values (Uninflated):

Phase III SFD	0	0	13,709,192
Phase III Patio	0	0	12,692,130
Phase III Paired	0	0	12,664,286
Phase III TH/Flex	0	0	15,249,000
Phase III Flex	0	0	13,260,000
Phase IV SFD	9,667,497	0	39,130,345
Phase IV Flex	<u>4,733,820</u>	<u>0</u>	<u>20,964,060</u>
Estimated Value Of Buildout - Entire Project (Uninflated)	<u>14,401,317</u>	<u>0</u>	<u>127,669,013</u>
Estimated Value Of Buildout - Entire Project (Assume Home Price Inflates 2% anr	<u>15,588,449</u>	<u>0</u>	<u>131,864,378</u>

Proj. Assessed Value - Incremental (7.96%):

Total Incremental Assessed Valuation - All Sources	<u>1,240,841</u>	<u>0</u>	<u>10,496,404</u>
Proj. Assessed Value By Year - Cumulative (Uninflated):	<u>10,496,404</u>	<u>10,496,404</u>	<u>10,496,404</u>
Proj. Assessed Value By Year - Cumulative (inflated 2% Every Other Year Beg. In 201	<u>11,361,646</u>	<u>11,588,879</u>	<u>11,588,879</u>

Year Assessed Valuation Certified To LFMD #3

2024 2025

Year Taxes Received By LFMD #3

2025 2026

LEE FARM METROPOLITAN DISTRICT # 4
 CASH FLOW FORECAST - BUDGETARY BASIS
 GENERAL FUND AND DEBT SERVICE FUND COMBINED
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2030

DRAFT DATED 10-27-2015
 SUBJECT TO CHANGE & REVISION

EXHIBIT V - CASH FLOW FORECAST - DISTRICT #4

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
1 INCREMENTAL RESIDENTIAL UNITS (SCHEDULE 4)	0	0	0	0	0	0	8	18	21	21
2 CUMULATIVE RESIDENTIAL UNITS (SCHEDULE 4)	0	0	0	0	0	0	8	26	47	68
3 ASSESSED VALUATION (SCH. 4)	0	0	0	0	0	0	0	0	359,579	1,245,748
4 MILL LEVY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	55.00	55.00
5										
6 REVENUES:										
7 PROPERTY TAXES	0	0	0	0	0	0	0	0	19,777	68,516
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP. TAXES	0	0	0	0	0	0	0	0	1,582	5,481
9 INTEREST INCOME - OTHER @ .25%	0	0	0	0	0	0	0	0	0	0
10 TOTAL REVENUES	0	0	0	0	0	0	0	0	21,359	73,997
11										
12 EXPENDITURES:										
13 1.5% LARIMER COUNTY TREASURER'S COLLECTION FEE	0	0	0	0	0	0	0	0	297	1,028
14 IGA TRANSFER TO LFMD #1	0	0	0	0	0	0	0	0	3,596	12,457
15 IGA TRANSFER TO LFMD #2	0	0	0	0	0	0	0	0	14,467	57,422
16 ADMINISTRATIVE ALLOWANCE									3,000	3,090
17 BOND PAYING AGENT FEES	0	0	0	0	0	0	0	0	0	0
18 TOTAL EXPENDITURES	0	0	0	0	0	0	0	0	21,359	73,997
19										
20 EXCESS REVENUES OVER (UNDER) EXPENDITURES	0	0	0	0	0	0	0	0	0	0
21										
22 FUND BALANCE - JANUARY 1	0	0	0	0	0	0	0	0	0	0
23										
24 FUND BALANCE - DECEMBER 31	0	0	0	0	0	0	0	0	0	0

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT # 4
 CASH FLOW FORECAST - BUDGETARY BASIS
 GENERAL FUND AND DEBT SERVICE FUND COMBINED
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2030

EXHIBIT V - CASH FLOW FORECAST - DISTRICT #4

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
1 INCREMENTAL RESIDENTIAL UNITS (SCHEDULE 4)	12	9	0	0	0	0	0	0	0	0	0
2 CUMULATIVE RESIDENTIAL UNITS (SCHEDULE 4)	80	89	89	89	89	89	89	89	89	89	89
3 ASSESSED VALUATION (SCH. 4)	2,304,393	3,451,895	4,119,775	4,739,043	4,739,043	4,833,824	4,833,824	4,930,501	4,930,501	5,029,111	5,029,111
4 MILL LEVY	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	46.00
5											
6 REVENUES:											
7 PROPERTY TAXES	115,220	172,595	205,989	236,952	236,952	241,691	241,691	246,525	246,525	251,456	231,339
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP TAXES	9,218	13,808	16,479	18,956	18,956	19,335	19,335	19,722	19,722	20,116	18,507
9 INTEREST INCOME - OTHER @ .25%	0	0	0	0	0	0	0	0	0	0	0
10 TOTAL REVENUES	124,437	186,402	222,468	255,908	255,908	261,027	261,027	266,247	266,247	271,572	249,846
11											
12 EXPENDITURES:											
13 1.5% LARIMER COUNTY TREASURER'S COLLECTION FEE	1,728	2,589	3,090	3,554	3,554	3,625	3,625	3,698	3,698	3,772	3,470
14 IGA TRANSFER TO LFMD #1	23,044	34,519	41,198	47,390	47,390	48,338	48,338	49,305	49,305	50,291	50,291
15 IGA TRANSFER TO LFMD #2	96,482	146,016	174,804	201,486	201,381	205,373	205,263	209,330	209,212	213,356	191,808
16 ADMINISTRATIVE ALLOWANCE	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	4,153	4,277
17 BOND PAYING AGENT FEES	0	0	0	0	0	0	0	0	0	0	0
18 TOTAL EXPENDITURES	124,437	186,402	222,468	255,908	255,908	261,027	261,027	266,247	266,247	271,572	249,846
19											
20 EXCESS REVENUES OVER (UNDER) EXPENDITURES	0	0	0	0	0	0	0	0	0	0	0
21											
22 FUND BALANCE - JANUARY 1	0	0	0	0	0	0	0	0	0	0	0
23											
24 FUND BALANCE - DECEMBER 31	0	0	0	0	0	0	0	0	0	0	0

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT # 4
 CASH FLOW FORECAST - BUDGETARY BASIS
 GENERAL FUND AND DEBT SERVICE FUND COMBINED
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2030

EXHIBIT V - CASH FLOW FORECAST - DISTRICT #4

	<u>2036</u>	<u>2037</u>	<u>2038</u>	<u>2039</u>	<u>2040</u>	<u>2041</u>	<u>2042</u>	<u>2043</u>	<u>2044</u>	<u>2045</u>	<u>2046</u>
1 INCREMENTAL RESIDENTIAL UNITS (SCHEDULE 4)	0	0	0	0	0	0	0	0	0	0	0
2 CUMULATIVE RESIDENTIAL UNITS (SCHEDULE 4)	89	89	89	89	89	89	89	89	89	89	89
3 ASSESSED VALUATION (SCH. 4)	<u>5,129,693</u>	<u>5,129,693</u>	<u>5,232,287</u>	<u>5,232,287</u>	<u>5,336,932</u>	<u>5,336,932</u>	<u>5,443,671</u>	<u>5,443,671</u>	<u>5,552,545</u>	<u>5,552,545</u>	<u>5,663,595</u>
4 MILL LEVY	46.00	46.00	46.00	46.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00
5											
6 REVENUES:											
7 PROPERTY TAXES	235,966	235,966	240,685	240,685	234,825	234,825	239,522	239,522	244,312	244,312	249,198
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP. TAXES	18,877	18,877	19,255	19,255	18,786	18,786	19,162	19,162	19,545	19,545	19,936
9 INTEREST INCOME - OTHER @ .25%	0	0	0	0	0	0	0	0	0	0	0
10 TOTAL REVENUES	<u>254,843</u>	<u>254,843</u>	<u>259,940</u>	<u>259,940</u>	<u>253,611</u>	<u>253,611</u>	<u>258,683</u>	<u>258,683</u>	<u>263,857</u>	<u>263,857</u>	<u>269,134</u>
11											
12 EXPENDITURES:											
13 1.5% LARIMER COUNTY TREASURER'S COLLECTION FEE	3,539	3,539	3,610	3,610	3,522	3,522	3,593	3,593	3,665	3,665	3,738
14 IGA TRANSFER TO LFMD #1	51,297	51,297	52,323	52,323	53,369	53,369	54,437	54,437	55,525	55,525	56,636
15 IGA TRANSFER TO LFMD #2	195,601	195,469	199,333	199,193	191,761	191,612	195,393	195,235	199,086	198,918	202,839
16 ADMINISTRATIVE ALLOWANCE	4,406	4,538	4,674	4,814	4,959	5,107	5,261	5,418	5,581	5,748	5,921
17 BOND PAYING AGENT FEES	0	0	0	0	0	0	0	0	0	0	0
18 TOTAL EXPENDITURES	<u>254,843</u>	<u>254,843</u>	<u>259,940</u>	<u>259,940</u>	<u>253,611</u>	<u>253,611</u>	<u>258,683</u>	<u>258,683</u>	<u>263,857</u>	<u>263,857</u>	<u>269,134</u>
19											
20 EXCESS REVENUES OVER (UNDER) EXPENDITURES	0	0	0	0	0	0	0	0	0	0	0
21											
22 FUND BALANCE - JANUARY 1	0	0	0	0	0	0	0	0	0	0	0
23											
24 FUND BALANCE - DECEMBER 31	0	0	0	0	0	0	0	0	0	0	0

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT # 4
 CASH FLOW FORECAST - BUDGETARY BASIS
 GENERAL FUND AND DEBT SERVICE FUND COMBINED
 FOR THE YEARS ENDING DECEMBER 31, 2015 - 2030

EXHIBIT V - CASH FLOW FORECAST - DISTRICT #4

	<u>2047</u>	<u>2048</u>	<u>2049</u>	<u>2050</u>	<u>2051</u>	<u>TOTALS</u>
1 INCREMENTAL RESIDENTIAL UNITS (SCHEDULE 4)	0	0	0	0	0	89
2 CUMULATIVE RESIDENTIAL UNITS (SCHEDULE 4)	89	89	89	89	89	89
3 ASSESSED VALUATION (SCH. 4)	<u>5,663,595</u>	<u>5,776,867</u>	<u>5,776,867</u>	<u>5,892,405</u>	<u>5,892,405</u>	
4 MILL LEVY	<u>44.00</u>	<u>44.00</u>	<u>44.00</u>	<u>44.00</u>	44.00	
5						
6 REVENUES:						
7 PROPERTY TAXES	249,198	254,182	254,182	259,266	259,266	6,431,139
8 SPECIFIC OWNERSHIP TAXES @ 8% OF PROP. TAXES	19,936	20,335	20,335	20,741	20,741	514,491
9 INTEREST INCOME - OTHER @ .25%	0	0	0	0	0	0
10 TOTAL REVENUES	<u>269,134</u>	<u>274,517</u>	<u>274,517</u>	<u>280,007</u>	<u>280,007</u>	<u>6,945,630</u>
11						
12 EXPENDITURES:						
13 1.5% LARIMER COUNTY TREASURER'S COLLECTION FEE	3,738	3,813	3,813	3,889	3,889	96,467
14 IGA TRANSFER TO LFMD #1	56,636	57,769	57,769	58,924	58,924	1,386,023
15 IGA TRANSFER TO LFMD #2	202,662	206,654	206,466	210,530	210,330	5,327,483
16 ADMINISTRATIVE ALLOWANCE	6,098	6,281	6,470	6,664	6,864	135,657
17 BOND PAYING AGENT FEES	0	0	0	0	0	0
18 TOTAL EXPENDITURES	<u>269,134</u>	<u>274,517</u>	<u>274,517</u>	<u>280,007</u>	<u>280,007</u>	<u>6,945,630</u>
19						
20 EXCESS REVENUES OVER (UNDER) EXPENDITURES	0	0	0	0	0	0
21						
22 FUND BALANCE - JANUARY 1	0	0	0	0	0	0
23						
24 FUND BALANCE - DECEMBER 31	0	0	0	0	0	0

SEE CONSULTANT'S REPORT AND DISCLAIMER.

LEE FARM METROPOLITAN DISTRICT # 4
 FORECASTED BUILDOUT AND ASSESSED VALUATION
 FOR THE YEARS ENDING DECEMBER 31, 2015 THROUGH 2020

DRAFT DATED 10-27-2015
 SUBJECT TO CHANGE & REVISION

SCHEDULE 4 - DEVELOPERS ESTIMATED BUILDOUT
 AND ASSESSED VALUATION FROM BUILDOUT

BUILDOUT/LANDUSE (INCLUDING LOT VALUES):			
Description of Units/Planning Area	Planned Number Units	Average Per Unit Price	Total Gross Volume
Residential			
Phase V-A Estate Lots	47	532,097	25,008,559
Phase V-B Estate Lots	42	602,718	25,314,156
Total Incremental Residential	89	565,424	50,322,715
Total Cumulative Residential			
SOURCE: West Range Development			

	2015	2016	2017	2018	2019	2020	2021	2022
Phase V-A Estate Lots	0	0	0	0	0	0	8	12
Phase V-B Estate Lots	0	0	0	0	0	0	0	6
Total Incremental Residential	0	0	0	0	0	0	8	18
Total Cumulative Residential	0	0	0	0	0	0	8	26
Estimated Values (Uninflated):								
Phase V-A Estate Lots	0	0	0	0	0	0	4,256,776	6,385,164
Phase V-B Estate Lots	0	0	0	0	0	0	0	3,616,308
Estimated Value Of Buildout - Entire Project (Uninflated)	0	0	0	0	0	0	4,256,776	10,001,472
Estimated Value Of Buildout - Entire Project (Assume Home Price Inflates 2% annually beg. In 2022)	0	0	0	0	0	0	4,256,776	10,201,501
Proj. Assessed Value - Incremental (7.96%):								
Total Incremental Assessed Valuation - All Sources	0	0	0	0	0	0	338,839	812,040
Proj. Assessed Value By Year - Cumulative (Uninflated):	0	0	0	0	0	0	338,839	1,150,879
Proj. Assessed Value By Year - Cumulative (inflated 2% Every Other Year Beg. In 2018):	0	0	0	0	0	0	359,579	1,245,748
Year Assessed Valuation Certified To LFMD #4	2016	2017	2018	2019	2020	2021	2022	2023
Year Taxes Received By LFMD #4	2017	2018	2019	2020	2021	2022	2023	2024

LEE FARM METROPOLITAN DISTRICT # 4
 FORECASTED BUILDOUT AND ASSESSED VALUATION
 FOR THE YEARS ENDING DECEMBER 31, 2015 THROUGH 2020

SCHEDULE 4 - DEVELOPERS ESTIMATED BUILDOUT
 AND ASSESSED VALUATION FROM BUILDOUT

BUILDOUT/LANDUSE (INCLUDING LOT VALUES):				
Description of Units/Planning Area	Planned Number Units	Average Per Unit Price	Total Gross Volume	
				<u>2023</u> <u>2024</u> <u>2025</u> <u>2026</u> <u>TOTALS</u>
Residential				
Phase V-A Estate Lots	47	532,097	25,008,559	12 12 3 0 47
Phase V-B Estate Lots	42	602,718	25,314,156	9 9 9 9 42
Total Incremental Residential	89	565,424	50,322,715	21 21 12 9 89
Total Cumulative Residential				47 68 80 89 89
SOURCE: West Range Development				

Estimated Values (Uninflated):					
Phase V-A Estate Lots	6,385,164	6,385,164	1,596,291	0	25,008,559
Phase V-B Estate Lots	5,424,462	5,424,462	5,424,462	5,424,462	25,314,156
Estimated Value Of Buildout - Entire Project (Uninflated)	<u>11,809,626</u>	<u>11,809,626</u>	<u>7,020,753</u>	<u>5,424,462</u>	<u>50,322,715</u>
Estimated Value Of Buildout - Entire Project (Assume Home Price Inflates 2% annual):	<u>12,286,735</u>	<u>12,532,470</u>	<u>7,599,489</u>	<u>5,989,044</u>	<u>52,866,015</u>

Proj. Assessed Value - Incremental (7.96%):					
Total Incremental Assessed Valuation - All Sources	978,024	997,585	604,919	476,728	4,208,135
Proj. Assessed Value By Year - Cumulative (Uninflated):	<u>2,128,903</u>	<u>3,126,488</u>	<u>3,731,407</u>	<u>4,208,135</u>	<u>4,208,135</u>
Proj. Assessed Value By Year - Cumulative (inflated 2% Every Other Year Beg. In 2018):	2,304,393	3,451,895	4,119,775	4,739,043	4,739,043

Year Assessed Valuation Certified To LFMD #4 2024 2025 2026 2027

Year Taxes Received By LFMD #4 2025 2026 2027 2028

EXHIBIT F
Statutory Contents of this Service Plan

1. A description of the proposed services;
2. A financial plan showing how the proposed services are to be financed;
3. A preliminary description of how the proposed services are to be provided;
4. A map of the Districts' boundaries and an estimate of the population and valuation for assessment of the Districts;
5. 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 Districts are compatible with facility and service standards of the City and of municipalities and special districts which are interested parties pursuant to §32-1-204(1), C.R.S.;
6. A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the Districts;
7. A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the Districts and such other political subdivisions;
8. Information satisfactory to establish that each of the following criteria as set forth in §32-1-203, C.R.S., has been met:
 - a. That there is sufficient existing and projected need for organized service in the area to be served by the Districts;
 - b. That the existing service in the area to be served by the Districts is inadequate for the present and projected needs;
 - c. That the Districts are capable of providing economical and sufficient service to the area within their boundaries;
 - d. That the area to be included in the Districts has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
 - e. That adequate service is not, or will not be available to the area through the City, other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;

f. That the facility and service standards of the Districts are compatible with the facility and service standards of the City within which the Districts are to be located;

g. The proposal is in substantial compliance with any master plan adopted pursuant to § 31-23-206, C.R.S.:

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

i. That the continued existence of the Districts will be in the best interests of the area proposed to be served.

**EXHIBIT B
TO RESOLUTION**

Affidavit of Publication

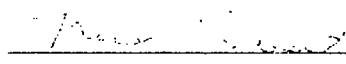
AFFIDAVIT OF PUBLICATION

REPORTER-HERALD

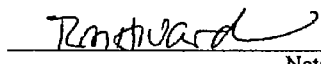
State of Colorado
County of Larimer

I, the undersigned agent, do solemnly swear that the LOVELAND REPORTER-HERALD is a daily newspaper printed, in whole or in part, and published in the City of Loveland, County of Larimer, State of Colorado, and which has general circulation therein and in parts of Larimer and Weld counties; that said newspaper has been continuously and uninterruptedly published for a period of more than six months next prior to the first publication of the annexed legal notice of advertisement, that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any, amendments thereof, and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado; that a copy of each number of said newspaper, in which said notice of advertisement was published, was transmitted by mail or carrier to each of the subscribers of said newspaper, according to the accustomed mode of business in this office.

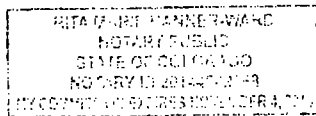
The annexed legal notice or advertisement was published in the regular and entire edition of said daily newspaper once; and that one publication of said notice was in the issue of said newspaper dated December 28, 2015.


Agent

Subscribed and sworn to before me this 28th day of
December, 2015 in the County of Boulder, State of Colorado.


Notary Public

Fee \$ 38.61
Account # 222605
Ad # 5662627



STATE OF COLORADO, CITY OF LOVELAND
NOTICE OF PUBLIC HEARING
IN RE THE ORGANIZATION OF LEE FARM METROPOLITAN DISTRICTS
NO. 1 - 4, CITY OF LOVELAND, STATE OF COLORADO

PUBLIC NOTICE IS HEREBY GIVEN that there has been filed with the City of Loveland, Colorado, a Consolidated Service Plan and related documents for proposed special districts to be known as Lee Farm Metropolitan Districts Nos. 1 - 4 (the "Districts"). A map of the Districts and the Consolidated Service Plan are on file in the office of the City Clerk, 600 East Third Street, Suite 230, Loveland, Colorado, and are available for public inspection. The Districts are generally located west of Wilson Avenue between West 35th Street and West 43rd Street in the City of Loveland. They consist of approximately 248 acres for primarily residential development. The Districts will provide for the design, acquisition, installation, construction, financing, operations, and maintenance of streets, traffic and safety signals, sewer, water, and parks and recreation facilities within the boundaries of the Districts. A mill levy cap of 85 mills is proposed for the Districts, subject to certain adjustment provisions.

NOTICE IS HEREBY FURTHER GIVEN that the Loveland City Council, Larimer County, State of Colorado, will hold a public hearing at or about 6:30 p.m. on January 19, 2016 in the City Council Chambers, 600 East Third Street, Loveland, Colorado, for the purpose of considering the Consolidated Service Plan and to form a basis for adopting a Resolution approving, disapproving or conditionally approving the Consolidated Service Plan for Lee Farm Metropolitan Districts Nos. 1 - 4. All protests and objections must be submitted in writing to the City Council for the City of Loveland at or prior to the public hearing or any continuance or postponement thereof in order to be considered.

NOTICE IS FURTHER GIVEN that pursuant to Section 32-1-203(3.5), C.R.S., as amended, any person owning property in the proposed Districts who requests that his or her property be excluded from the Districts prior to approval of the Consolidated Service Plan shall submit the request to the City Council for the City of Loveland no later than ten (10) days prior to the hearing, but the City Council for the City of Loveland shall not be limited in its action with respect to exclusion of territory based upon the request. Any request for exclusion shall be acted upon before final action of the City Council for the City of Loveland under Section 32-1-206, C.R.S. All protests and objections to the proposed Districts shall be deemed to be waived unless presented at the time and in the manner specified by the City of Loveland.

BY ORDER OF CITY COUNCIL FOR THE CITY OF LOVELAND,
STATE OF COLORADO
Published: Loveland Reporter Herald December 28, 2015 - 5662627

**EXHIBIT C
TO RESOLUTION**

Certificate of Mailing

STATE OF COLORADO, CITY OF LOVELAND, COUNTY OF LARIMER

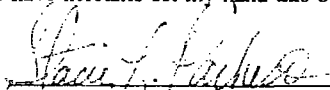
CERTIFICATION OF MAILING NOTICE OF HEARING AND PUBLICATION

IN RE THE ORGANIZATION OF LEE FARM METROPOLITAN DISTRICTS NOS. 1 – 4,
CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO

IT IS HEREBY CERTIFIED by the undersigned, as follows:

1. That, the City Council of Loveland, Larimer County, Colorado, set a public hearing for Tuesday, the 19th day of January, 2016, at 6:30 p.m., at 500 East Third Street, Loveland, Colorado 80537, considering the Consolidated Service Plan and related documents for Lee Farm Metropolitan Districts Nos. 1 – 4 (the "Districts").
2. That, as a part of said action, directions were given that copies of the Notice of Public Hearing be mailed, by first class mail, not more than thirty days nor less than twenty days prior to said hearing, to interested persons, defined as follows: (1) the owners of record of all property within the Title 32 special districts as such owners of record are listed in the Larimer County Assessor's records; (2) the Division of Local Government; (3) the governing body of any municipality or special district which has levied an ad valorem tax within the next preceding tax year, and which has boundaries within a radius of three (3) miles of the Districts' boundaries.
3. That, in compliance with said directions, a copy of the Notice of Public Hearing, attached as Exhibit A, was deposited in the United States first class mail on December 30, 2015 to owners of record of all property within the Title 32 special districts; the Division of Local Government; and the governing body of any municipalities and special district which has levied an ad valorem tax within the next preceding tax year and which has boundaries within a three (3) mile radius of the Districts' boundaries, as per the listings attached as Exhibit B.
4. That, as a part of said action, directions were given that the Notice of Public Hearing be published one time in a newspaper of general circulation within the Districts. In compliance with said directions, a copy of the Notice of Public Hearing, attached as Exhibit A, was published on December 28, 2015 in *The Loveland Reporter-Herald*, an Affidavit of Publication is attached as Exhibit C.

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of January, 2016.



Stacie L. Pacheco, Paralegal

EXHIBIT A

NOTICE OF PUBLIC HEARING

STATE OF COLORADO, CITY OF LOVELAND

NOTICE OF PUBLIC HEARING

IN RE THE ORGANIZATION OF LEE FARM METROPOLITAN DISTRICTS NOS. 1 – 4, CITY OF LOVELAND, STATE OF COLORADO

PUBLIC NOTICE IS HEREBY GIVEN that there has been filed with the City of Loveland, Colorado, a Consolidated Service Plan and related documents for proposed special districts to be known as Lee Farm Metropolitan Districts Nos. 1 – 4 (the “Districts”). A map of the Districts and the Consolidated Service Plan are on file in the office of the City Clerk, 500 East Third Street, Suite 230, Loveland, Colorado, and are available for public inspection. The Districts are generally located west of Wilson Avenue between West 35th Street and West 43rd Street in the City of Loveland. They consist of approximately 246 acres for primarily residential development. The Districts will provide for the design, acquisition, installation, construction, financing, operations, and maintenance of streets, traffic and safety signals, sewer, water, and parks and recreation facilities within the boundaries of the Districts. A mill levy cap of 65 mills is proposed for the Districts, subject to certain adjustment provisions.

NOTICE IS HEREBY FURTHER GIVEN that the Loveland City Council, Larimer County, State of Colorado, will hold a public hearing at or about 6:30 p.m. on January 19, 2016 in the City Council Chambers, 500 East Third Street, Loveland, Colorado, for the purpose of considering the Consolidated Service Plan and to form a basis for adopting a Resolution approving, disapproving or conditionally approving the Consolidated Service Plan for Lee Farm Metropolitan Districts Nos. 1 – 4. All protests and objections must be submitted in writing to the City Council for the City of Loveland at or prior to the public hearing or any continuance or postponement thereof in order to be considered.

NOTICE IS FURTHER GIVEN that pursuant to Section 32-1-203(3.5), C.R.S., as amended, any person owning property in the proposed Districts who requests that his or her property be excluded from the Districts prior to approval of the Consolidated Service Plan shall submit the request to the City Council for the City of Loveland no later than ten (10) days prior to the hearing, but the City Council for the City of Loveland shall not be limited in its action with respect to exclusion of territory based upon the request. Any request for exclusion shall be acted upon before final action of the City Council for the City of Loveland under Section 32-1-205, C.R.S. All protests and objections to the proposed Districts shall be deemed to be waived unless presented at the time and in the manner specified by the City of Loveland.

**BY ORDER OF CITY COUNCIL FOR THE CITY
OF LOVELAND, STATE OF COLORADO**

EXHIBIT B

Property Owners within the Boundaries of the Districts
Taxing Entities within a 3-mile radius of the Boundaries of the Districts
Division of Local Government

LEE FARM METROPOLITAN DISTRICTS NOS. 1 – 4

City of Loveland
Attn: Finance Director
City Manager's Office
500 East Third Street, Suite 330
Loveland, Co 80537

Larimer County
P. O. Box 1190
Fort Collins, CO 80522

Larimer County Pest Control
P. O. Box 1190
C/O Larimer County
Fort Collins, CO 80521

Northern Colorado Water Conservancy District
Mr. Eric Wilkinson
220 Water Avenue
Berthoud, CO 80513-9245

Thompson R-2J School District
2890 N. Monroe Avenue
Loveland, CO 80537

Thompson Valley Health Services District
4480 Clydesdale Parkway
Loveland, CO 80538

US 34/Crossroads Corridor Renewal Plan
City of Loveland-Long Range Plng.
500 East Third
Loveland, CO 80537

Little Thompson Water District
835 East Highway 56
Drawer G
Berthoud, CO 80513

Poudre River Public Library District
c/o Seter & Vander Wall P.C.
7400 E. Orchard Rd., Ste. 3300
Greenwood Village, CO 80111

Health District of Northern Larimer County
120 Bristlecone Drive
Fort Collins, CO 80524

Poudre R-1 School District
2407 La Porte Avenue
Fort Collins, CO 80521-2297

Poudre Valley Fire Protection District
102 Remington Street
Fort Collins, CO 80524

Fort Collins - Loveland Water District
5150 Snead Drive
Fort Collins, CO 80525-3764

Centerra Metropolitan District No. 3
Icenogle Seaver Pogue, P.C.
4725 S. Monaco Street, Suite 225
Denver, CO 80237

South Fort Collins Sanitation District
5150 Snead Drive
Fort Collins, CO 80525-3764

Loveland Rural Fire Protection District
C/O Gregory A. White
1423 West 29th Street
Loveland, CO 80538

Larimer County G.I.D. No. 8 Namaqua Hills
Attn: County Commissioners
c/o Larimer County Engineering Department
P.O. Box 1190
Fort Collins, CO 80522

Larimer County P.I.D. 44 Horseshoe View Est South
Attn: County Commissioners
C/O Larimer County
P.O. Box 1190
Fort Collins, CO 80522

City of Fort Collins
Attn: Rita Harris
City Clerks Office
P.O. Box 580
Fort Collins, CO 80522

Deer Meadows Metropolitan District
Attn: Leslie H. Larsen
Spencer Fane & Grimshaw LLP
1700 Lincoln Street, Suite 3800
Denver, CO 80203

Cascade Ridge Metropolitan District
Attn: Jill A. Neuffer
Spencer Fane & Grimshaw LLP
1700 Lincoln Street, Suite 3800
Denver, CO 80203

Loveland General Improvement District 1
500 East Third
Loveland, CO 80537

Larimer County G.I.D. No. 10 Homestead
Estates
County Commissioners
c/o Larimer County Engineering Department
P.O. Box 1190
Fort Collins, CO 80522

Harmony Technology Park Metro District No. 3
Attn: Clint C. Waldron
c/o White Bear Ankele P.C.
2154 E. Commons Avenue, Suite 2000
Centennial, CO 80122

Loveland Urban Renewal Authority
C/O Matt Robenalt
Loveland Long Range Planning Division
500 East Third
Loveland, CO 80537

Larimer County P.I.D. No. 31 Foothills Shadow
County Commissioners
c/o Larimer County Engineering Department
P.O. Box 1190
Fort Collins, CO 80522

Estes Park School R-3
Attn: Brian Lund
1605 Brodie Avenue
Estes Park, CO 80517

Larimer County G.I.D. No. 1991-1 Arapahoe Pines
County Commissioners
c/o Larimer County Engineering Department
P.O. Box 1190
Fort Collins, CO 80522

Johnstown Fire Protection District
1013 North Second Street
Johnstown, CO 80534

Larimer County P.I.D. No. 27 Crown Point
C/O Larimer County Engineering Dept.
P.O. Box 1190
Fort Collins, CO 80522

G A Lee Farm I.I.C
P.O. Box 151
Florence, OR 97439-0006

East Larimer County Water District
Attn: Mike Scheid
P.O. Box 2044
Fort Collins, CO 80522

Division of Local Government
1313 Sherman Street
Room 521
Denver, CO 80203

EXHIBIT C
AFFIDAVIT OF PUBLICATION

AFFIDAVIT OF PUBLICATION REPORTER-HERALD

State of Colorado
County of Larimer

I, the undersigned agent, do solemnly swear that the LOVELAND REPORTER-HERALD is a daily newspaper printed, in whole or in part, and published in the City of Loveland, County of Larimer, State of Colorado, and which has general circulation therein and in parts of Larimer and Weld counties; that said newspaper has been continuously and uninterruptedly published for a period of more than six months next prior to the first publication of the annexed legal notice of advertisement, that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado; that a copy of each number of said newspaper, in which said notice of advertisement was published, was transmitted by mail or carrier to each of the subscribers of said newspaper, according to the accustomed mode of business in this office.

The annexed legal notice or advertisement was published in the regular and entire edition of said daily newspaper once; and that one publication of said notice was in the issue of said newspaper dated December 28, 2015.

Rita Marie Hanner-Ward
Agent

Subscribed and sworn to before me this 28th day of December, 2015 in the County of Boulder, State of Colorado.

Rita Marie Hanner-Ward
Notary Public

Fee \$ 38.61
Account # 222605
Ad # 5662627

RITA MARIE HANNER-WARD
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20144042758
MY COMMISSION EXPIRES NOVEMBER 4, 2018

