

SERVICE PLAN
FOR
LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO. 1
TOWN OF JOHNSTOWN, COLORADO

Prepared
by

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TABLE OF CONTENTS

I. INTRODUCTION1
A. Intent and Purpose.....1
B. Need for the District.....1
C. Town’s Objective Regarding the District’s Service Plan.1

II. DEFINITIONS.....2

III. BOUNDARIES.....6

IV. PROPOSED LAND USE / POPULATION PROJECTIONS / ASSESSED VALUATION
.....6

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES.....7
A. Powers of the District and Service Plan Amendment7
1. Operations and Maintenance Limitation.....7
2. Trails and Amenities.7
3. Fire Protection, Ambulance and Emergency Services Limitation.....7
4. Television Relay and Translation Limitation... ..8
5. Telecommunication Facilities.....8
6. Construction Standards Limitation..8
7. Zoning and Land Use Requirements; Sales and Use Tax.8
8. Growth Limitations.....8
9. Conveyance.8
10. Privately Placed Debt Limitation.8
11. Inclusion Limitation.....9
12. Overlap Limitation.....9
13. Debt Limitation.....9
14. Maximum Debt Authorization.....9
15. Recurring Fee Limitation.....9
16. Monies from Other Governmental Sources..10
17. Consolidation Limitation..10
18. Bankruptcy Limitation.....10
19. Water Rights/Resources Limitation.....10
20. Eminent Domain Limitation..11
21. Covenant Enforcement and Design Review Services.....11
22. Reimbursement Agreement with Adjacent Landowners..11
23. Land Purchase Limitation.....11
24. Developer Reimbursement of Public Improvement Related Costs.11
25. Developer Reimbursement of Administration, Operations and
Maintenance Related Costs.....12
26. Board Meetings and Website Limitations.....12
27. Financial Review..12
28. Use of Proceeds and Revenues Limitations.....12
29. Transfer Fee Limitation.13
30. Miscellaneous Powers.....13

31.	New Powers.	13
B.	Service Plan Amendment Requirement.....	13
C.	Capital Plan.....	13
VI.	FINANCIAL PLAN.....	14
A.	General.....	14
B.	Maximum Voted Interest Rate, Maximum Underwriting Discount, Maximum Interest Rate on Developer Debt.....	15
C.	Mill Levies.....	15
D.	Mill Levy Imposition Term.....	15
E.	Debt Repayment Sources.....	16
F.	Debt Instrument Disclosure Requirement.....	16
G.	Security for Debt.....	16
H.	District's Operating Costs.....	16
VII.	ANNUAL REPORT.....	17
A.	General.....	17
B.	Reporting of Significant Events.....	17
C.	Summary of Financial Information.....	18
VIII.	DISSOLUTION.....	19
IX.	INTERGOVERNMENTAL AGREEMENT.....	19
X.	NON-COMPLIANCE WITH SERVICE PLAN.....	19
XI.	MISCELLANEOUS.....	19
A.	Headings.....	20
B.	Town Consent.....	20
C.	Town Expenses.....	20
D.	Disclosure Notice.....	20
XII.	CONCLUSION.....	20

LIST OF EXHIBITS

EXHIBIT A	Legal Descriptions
EXHIBIT B	Vicinity Map
EXHIBIT C-1	District Boundary Map
EXHIBIT C-2	Proofs of Ownership and Consent of Owners
EXHIBIT D	Intergovernmental Agreement between the District and Johnstown
EXHIBIT E	Capital Plan
EXHIBIT F	Financial Plan
EXHIBIT G	Form of District Disclosure Notice
EXHIBIT H	Indemnification Letters

I. INTRODUCTION

A. Intent and Purpose.

The Town intends that this Service Plan grant authority to the District to provide for the planning, design, acquisition, construction, installation and financing of Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The Town and the District acknowledge that the District is an independent unit of local government, separate and distinct from the Town, and, except as may otherwise be provided for by State or local law, this Service Plan or an intergovernmental agreement with the Town, the District's activities are subject to review by the Town only insofar as the activities may deviate in a material manner from the requirements of the Service Plan. The primary purpose of the District will be to finance the construction of these Public Improvements.

The District may also provide ongoing operations and maintenance services as set forth in this Service Plan.

B. Need for the District.

There are currently no other governmental entities, including the Town, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction, installation, and financing of the Public Improvements or the ownership, operation and maintenance by the Town or another entity. Formation of the District is therefore necessary in order for the Public Improvements to be provided in the most economic manner possible.

C. Town's Objective Regarding the District's Service Plan.

The Town's objective in approving the Service Plan is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, financing, repair, replacement and operations and maintenance of the Public Improvements from the proceeds of Debt that may be issued by the District and to provide for the ownership, operation or maintenance by the Town or District where appropriate. Debt is expected to be repaid by an ad valorem property tax no higher than the Maximum Debt Mill Levy. Debt issued within these parameters and, as further described in the Financial Plan, is intended to insulate property owners from excessive tax and financial burdens and result in a timely and reasonable repayment. Generally, the cost of Public Improvements that cannot be funded within these parameters and the financing capacity of the District are not costs to be paid by the District.

The Town intends to authorize the District to have the ability to plan, design, acquire, construct, install and finance the initial Public Improvements necessary to develop the Project and seeks the timely payment of Debt related to those initial Public Improvements so that the financial burden on End Users is minimized. The District shall not be entitled to issue any Debt until it has received approval of a Service Plan Amendment in the form of an Amended and Restated Service Plan and shall be required to obtain authorization of the Town, in the form of an intergovernmental agreement, prior to issuing Debt for the redevelopment of an existing Public Improvement.

The Town prefers that all property classified as “residential” shall be located solely within the boundaries of a residential district and that all property classified as “commercial” shall be located solely within the boundaries of a commercial district. For purposes of this distinction “commercial property” shall mean all property other than “residential real property” as that term is defined in Article X, Section 3(1)(b) of the Colorado Constitution. The distinction facilitates two goals: (1) to have similarly situated properties governed by common interests, and (2) to apply a lower maximum tax burden on residential owners. The foregoing shall not prohibit residential and commercial Districts from sharing the costs of Public Improvements in compliance with the provisions of this Service Plan and applicable law, provided, however, that no fees derived from retail sales shall be used to pay the costs of the Public Improvements .

Unless the District has operational responsibilities for any of the Public Improvements or Covenant Enforcement and Design Review Services, the Town intends that the District dissolve upon payment or defeasance of all Debt incurred or upon a court determination that adequate provision has been made for the payment of all Debt and for continuation of any operations.

II. DEFINITIONS

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

Amended and Restated Service Plan: means an amendment to this Service Plan approved by the Town Council that may, among other potential matters, authorize the issuance of Debt in compliance with the terms thereof.

Approved Development Plan: means a subdivision improvement development agreement, preliminary or final plat or other process established by the Town for identifying, among other matters, Public Improvements necessary for facilitating development for property within a part or all of the Service Area as approved by the Town pursuant to the Town Code, as amended from time to time.

Assessment Ratio Adjustment: means, if, on or after January 1, 2021, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement, the Maximum Debt Mill Levy and Maximum Operations and Maintenance Mill Levy may be increased or decreased to reflect such changes, such increases and decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the applicable mill levy, as adjusted for changes occurring after January 1, 2021, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.

Board: means the Board of Directors of the District.

Bond, Bonds or Debt: means bonds, notes, contracts, reimbursement agreements or other multiple fiscal year financial obligations issued by the District or other obligations for the

payment of which the District has promised to impose an ad valorem property tax mill levy and/or impose and collect Development Fees.

Bond Counsel Opinion: means the opinion, to be provided by an attorney licensed in Colorado and published in the then current publication of the Bond Buyer Directory of Municipal Bond Attorneys, providing that the Debt that is the subject of the opinion was issued in accordance with the provisions of the Service Plan.

Capital Plan: means the Capital Plan described in Section V.C. which includes: (a) a list of the Public Improvements which may be developed by the District; (b) an engineer's estimate of the cost of the Public Improvements; and (c) a pro forma capital expenditure plan correlating expenditures with development.

Cost Verification Report: means a report provided by an engineer or accountant as required pursuant to Section V.A.28

Covenant Enforcement and Design Review Services: means those covenant enforcement and design review services authorized in the Special District Act.

Debt: See Bond, Bonds or Debt.

Developer: means the owner or owners of the property within the Service Area, any affiliates of such owner or owners and their successors and assigns other than End Users. As of the date of this Service Plan, the Developer is Ledge Rock Center, LLC, and may include its heirs, affiliates, successors and assigns designated by the Developer to the Town from time to time.

Developer Debt: means bonds, notes, contracts, reimbursement agreements or other multiple fiscal year financial obligations issued by the District to the Developer within the District for reimbursement of sums advanced or paid for funding of Public Improvements and/or operation and maintenances expenses. Developer Debt shall be subordinate to other Debt of the District.

Developer Debt Mill Levy Limitation Term: means the Developer Debt Mill Levy Imposition Term set forth in Section VI.D.1.

Development and Reimbursement Agreement: means an agreement, as amended from time to time, between the Town and the Ledge Rock Center Residential Metropolitan District No. 1, and the Developer as to those items which the Developer may be a party, that provides, among other matters, the terms and conditions relating to maximum interest rates on Debt issued to the Developer or other landowners, and limitations on other revenue sources.

District: means Ledge Rock Center Residential Metropolitan District No. 1.

End User: means any owner or occupant of any taxable residential real property within the District after such property has been vertically developed. By way of illustration, a resident

homeowner or renter, is an End User. The Developer and any business entity that constructs homes is not an End User.

External Financial Advisor: means a consultant that: (1) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (2) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (3) is not an officer or employee of the District.

External Financial Advisor Certification: means the certification required to be provided pursuant to Section V.A.10. below.

Fee or Fees: means any fee, rate, toll, penalty, or charge imposed by the District for services, programs or facilities provided or to be provided by the District.

Financial Plan: means the initial proposed Financial Plan described in Section VI, which describes (i) how the Public Improvements are to be financed; (ii) how Debt may be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year. Such costs shall not constitute legal limits on the financial powers of the District; provided, however, that the District shall not be permitted to issue Bonds which are not in compliance with the bond registration and issuance requirements of Colorado law and which are not in compliance with the terms of the Development and Reimbursement Agreement, this Service Plan and any other agreements between the District and the Town.

District Boundaries: means the boundaries of the area described in the District Boundary Map.

District Boundary Map: means the map attached hereto as **Exhibit C-1**, describing the boundaries of the District.

Intergovernmental Agreement: means the Intergovernmental Agreement required by the Town, a form of which is attached hereto as **Exhibit D** and described in Article IX hereof.

Map Depicting Public Improvements: means the map attached hereto as **Exhibit E**, showing the initial proposed location(s) of the Public Improvements listed in the Capital Plan. The location and specifications of the Public Improvements may change from time to time without a requirement to amend the Map Depicting the Public Improvements or an amendment to the Service Plan.

Maximum Debt Authorization: means the total Debt the District is permitted to incur as set forth in Section V.A.14. below.

Maximum Debt Mill Levy: means the maximum mill levy the District is permitted to impose for payment of Debt as set forth in Section VI.C below.

Maximum Debt Mill Levy Imposition Term: means the maximum term for imposition of a mill levy as set forth in Section VI.D. below.

Maximum Operations and Maintenance Mill Levy: means the maximum mill levy the District is permitted to impose for payment of Operation and Maintenance Expenses, as set forth in Section VI.C.2. below.

Operations and Maintenance Mill Levy: means the mill levy the District is permitted to impose for payment of administrative, operations and maintenance expenses as set forth in Section VI.C.2. below.

Privately Placed Debt: means Debt that is issued by the placement of the Debt directly with the Debt purchaser and without the use of an underwriter as a purchaser and reseller of the Debt, and includes, but is not limited to, Developer Debt and bank loans.

Project: means the multi-family residential development in a development to be known as Ledge Rock Center.

Proof of Ownership: means a current title commitment or ownership and encumbrance report showing ownership and all encumbrances on all properties within the District Boundaries, or other documentation acceptable to the Town Attorney.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed and financed as listed on the Capital Plan, attached as **Exhibit E**, and generally described in the Special District Act, or as set forth in an Approved Development Plan or intergovernmental agreement with the Town, to serve the anticipated inhabitants and taxpayers of the Service Area, except as specifically limited in Section V below, and as approved by the Board from time to time.

Publicly Marketed Debt: means Debt that is offered for sale to the public by the District with the use of an underwriter as a purchaser and reseller of the Debt.

Recurring Fee(s): means any recurring fee, rate, toll, penalty or charge imposed by the District for administrative, operations and maintenance costs and for services, programs or facilities provided by the District as limited by the provisions of Section V.A.15. below, but in no event to be used for payment of Debt.

Refunding Bonds or Refunding Debt: means Debt issued for purposes of refunding any Bond or Debt.

Service Area: means the property within the District Boundary Map and the area legally permitted to be served by the District and approved by the Town.

Service Plan: means this Service Plan for the District approved by Town Council.

Service Plan Amendment: means an amendment to the Service Plan approved by Town Council in accordance with the applicable state law.

Special District Act: means Section 32-1-101, *et seq.*, of the Colorado Revised Statutes, as amended from time to time.

State: means the State of Colorado.

Taxable Property: means real or personal property within the Service Area subject to ad valorem property taxes imposed by the District.

Taxable Transactions: means sales subject to payment of the Sales Tax.

Tax-exempt Debt: means Debt issued by the District for which the interest paid may be exempt from federal income tax of the recipient.

Total Debt Issuance Limitation: means the amount of Debt authorized by this Service Plan as provided in Section V.A.14.

Town: means the Town of Johnstown, Colorado.

Town Code: means the Town of Johnstown Municipal Code, as may be amended and in effect from time to time.

Town Council: means the governing body of the Town of Johnstown, Colorado.

Transfer Fee: means a fee assessed upon each sale of real property within the District.

III. BOUNDARIES

The area of the District Boundaries includes approximately Fifty and 773/1000 (50.773) acres, generally located south of Highway 60/County Road 48 and east of Interstate I-25. The proposed Service Area of the District includes approximately 50.773 acres of residential multi-family development. Legal descriptions of the District Boundaries are attached hereto as **Exhibit A**. A vicinity map is attached hereto as **Exhibit B**. A map of the District Boundaries is attached hereto as **Exhibit C**. Proofs of Ownership and consents of the owners to organization of the District for all properties within the District Boundaries are attached hereto as **Exhibit C-2**. The District's boundaries may change from time to time as the District undergoes inclusions and exclusions pursuant to the Special District Act, subject to the limitations set forth in Section V below and as authorized by the Town.

IV. PROPOSED LAND USE / POPULATION PROJECTIONS / ASSESSED VALUATION

The Service Area, upon full build-out, will consist of approximately 50.773 acres of residential property. The current assessed valuation of the Service Area is assumed to be \$0 for purposes of this Service Plan and, at build-out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan.

At build-out, the residential building area is estimated to include approximately 1008 multi-family units comprising 1,218,000 square feet.

The Town's approval of this Service Plan does not imply approval of the development of a specific area within the District, nor does it imply approval of the total number of residential lots or residential units which may be identified in this Service Plan. The total number of residential lots or residential units will be determined at the time of approval of a plat by the Town.

Approval of this Service Plan by the Town in no way releases or relieves the Developer of the Project, or the landowner or any subdivider of any portion of the Project property, or any of their respective successors or assigns, of obligations to construct Public Improvements for the Project or of obligations to provide to the Town such financial guarantees as may be required by the Town to ensure the completion of the Public Improvements, or of any other obligations to the Town under the Town Code or any applicable annexation agreement, subdivision agreement, or other agreements affecting the Project property or development thereof.

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES

A. Powers of the District and Service Plan Amendment.

The District shall have the power and authority to provide the Public Improvements and operations and maintenance within and without the boundaries of the District as such power and authority is described in the Special District Act and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein.

1. Operations and Maintenance Limitation. The purpose of the District is to provide for the planning, design, acquisition, construction, installation and financing of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The District shall only operate and maintain those Public Improvements that are not accepted for ownership, operations and maintenance by the Town or other appropriate entity in a manner consistent with Approved Development Plans and other rules and regulations of the Town and the Town Code.

2. Trails and Amenities. The District may own, operate, and maintain trails and related amenities within the District. All parks and trails shall be open to the general public, including Town residents who do not reside in the District, free of charge. Any fee imposed by the District for access to recreation improvements owned by the District, other than parks and trails, shall not result in Town residents who reside outside the District paying a user fee that is greater than, or otherwise disproportionate to, amounts paid by owners or tenants of the District and shall not result in the District's owners or tenants subsidizing the use by non-District's residents. The District shall be entitled to impose a reasonable administrative fee to cover additional expenses associated with use of District recreational improvements, other than parks and trails, by Town residents who do not reside in the District to ensure that such use is not subsidized by the District's owners or tenants.

3. Fire Protection, Ambulance and Emergency Services Limitation. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless such facilities and services are provided pursuant to an intergovernmental agreement with the Town. The authority to plan for, design, acquire, construct, install, relocate, redevelop or finance fire hydrants and related

improvements installed as part of the water system shall not be limited by this provision. The District shall not be authorized to provide for ambulance or emergency medical services unless the provision of such service is approved by the Town in an intergovernmental agreement.

4. Television Relay and Translation Limitation. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain television relay and translation facilities and services, other than for the installation of conduit as a part of a street construction project, unless such facilities and services are provided pursuant to an intergovernmental agreement with the Town.

5. Telecommunication Facilities. The District agrees that no telecommunication facilities owned, operated or otherwise allowed by the District shall affect the ability of the Town to expand its public safety telecommunication facilities or impair the Town's existing telecommunication facilities.

6. Construction Standards Limitation. The District shall ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the Town and of other governmental entities having proper jurisdiction. The District shall obtain the Town's approval of civil engineering plans and applicable permits for construction and installation of Public Improvements prior to performing such work.

7. Zoning and Land Use Requirements; Sales and Use Tax. The District shall be subject to all of the Town's zoning, subdivision, building code and other land use requirements. The District shall not exercise any exemption from Town sales or use tax, whether directly or indirectly.

8. Growth Limitations. The District acknowledges that the Town shall not be limited in implementing Town Council or voter approved growth limitations, even though such actions may reduce or delay development within the District and the realization of District's revenue.

9. Conveyance. The District agrees to convey to the Town, at no expense to the Town and upon written notification from the Town, any real property owned by the District that is necessary, in the Town's sole discretion, for any Town capital improvement projects for transportation, utilities, drainage, streets or trails. The District shall, at no expense to the Town and upon written notification from the Town, transfer to the Town all rights-of-way, fee interests and easements owned by the District that the Town determines are necessary for access to and operation and maintenance of the Public Improvements to be owned, operated and maintained by the Town, consistent with an Approved Development Plan.

10. Privately Placed Debt Limitation. Prior to the issuance of any Privately Placed Debt, including but not limited to any Developer Debt, the District shall obtain the certification of an External Financial Advisor approved by the Town, in the form substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the District's Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District and all Districts pledging revenue to the repayment of the Debt.

The District shall submit written notice to the Town Manager of the name of the proposed External Financial Advisor prior to the engagement of the External Financial Advisor, which shall either be approved or objected to by the Town within twenty (20) days of the submittal of such written notice to the Town Manager. If the Town Manager does not object to such selection within the twenty (20) day period, the Town Manager's approval shall be deemed to have been given to the District retaining the External Financial Advisor named in the written notice.

Within ten (10) days subsequent to the issuance of Privately Placed Debt, the District shall provide the Town with copies of the relevant Debt documents, the External Financial Advisor Certification and the Bond Counsel Opinion addressed to the District and the Town regarding the issuance of the Debt.

11. Inclusion Limitation. The District shall not include within its boundaries any property outside the District Boundaries without the prior written consent of the Town. The District shall only include within its boundaries property that has been annexed to the Town, and no portion of any of the District shall ever consist of property not within the Town's corporate boundaries.

12. Overlap Limitation. The boundaries of the District shall not overlap with another metropolitan district without the prior written consent of the Town.

13. Debt Limitation. Until the Development and Reimbursement Agreement is approved and executed between the Town and the District and until an Amended and Restated Service Plan is approved by Town Council, the District shall not: (a) issue any Debt; or (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds.

14. Maximum Debt Authorization. The District shall not issue Debt in excess of Three Million, Six Hundred Thousand (\$3,600,000), except that the District shall not issue any Debt absent approval of an Amended and Restated Service Plan by the Town Council. Refunded Debt, wherein the initial debt issuance counted toward the Maximum Debt Authorization shall not count against the Maximum Debt Authorization set forth herein.

15. Recurring Fee Limitation. The District may impose and collect Recurring Fees for administrative, operations and maintenance expenses and for services, programs or facilities furnished by the District. Any Recurring Fees for administrative, operations and maintenance expenses not specifically set forth in the Financial Plan, including a subsequent increase in such Recurring Fees, shall be subject to review and approval by the Town. At the

discretion of the Town Manager, Town review and, if appropriate, approval shall be provided by the Town Manager in writing or referred by the Town Manager to Town Council. If the Town does not respond to a request for the imposition of the Recurring Fee or an increase in such Recurring Fee within forty-five (45) days of receipt of a written request from the District, the Town shall be deemed to have approved the ability of the District to impose or increase the Recurring Fee as described in the request. Any Recurring Fees imposed or increased for operation and maintenance expenses without approval as set forth herein shall constitute a material departure from the Service Plan. The revenue from a Recurring Fee shall not be used to pay for Debt.

16. Monies from Other Governmental Sources. The District shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds or other funds available from or through governmental or non-profit entities for which the Town is eligible to apply, except pursuant to an intergovernmental agreement with the Town. This Section shall not apply to specific ownership taxes, which shall be distributed to and a revenue source for the District without any limitation.

17. Consolidation Limitation. The District shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the Town.

18. Bankruptcy Limitation. It is expressly intended that all of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, Maximum Debt Mill Levy Limitation Term, Developer Debt Mill Levy Imposition Term, and the Recurring Fees, that have been established under the authority of the Town to approve a Service Plan with conditions pursuant to Section 32-1-204.5, C.R.S.:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent an amendment to the Service Plan; and

(b) Are, together with all other requirements of Colorado law, included in the “political or governmental powers” reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the “regulatory or electoral approval necessary under applicable nonbankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

The filing of any bankruptcy petition by the District shall constitute, simultaneously with such filing, a material departure of the express terms of this Service Plan, and thus an express violation of the approval of this Service Plan.

19. Water Rights/Resources Limitation. Water to satisfy the needs of the Project shall be dedicated by the Developer to the Town. The District shall not acquire, own, manage, adjudicate or develop water rights or resources except pursuant to an intergovernmental agreement with the Town. If the District provides a non-potable irrigation system, which would be owned, operated and maintained by the District, the District would be permitted to manage the raw water for the District irrigation water system in the manner set forth in a subsequently executed intergovernmental agreement with the Town.

20. Eminent Domain Limitation. Absent the prior written approval of the Town, the District shall not exercise its statutory power of eminent domain or dominant eminent domain for the purpose of condemning property outside of the Service Area. Additional approval from the Town shall not be required prior to the District's exercise of its statutory power of eminent domain or dominant eminent domain with respect to property within the Service Area. In no event shall the District exercise its statutory power of dominant eminent domain to condemn property owned by the Town.

21. Covenant Enforcement and Design Review Services. The District shall have the power, but not the obligation, to provide Covenant Enforcement and Design Review Services within the District in accordance with the Colorado Statutes as they are amended from time to time. The Town shall not bear any responsibility for Covenant Enforcement and Design Review Services within the boundaries of the District. The Town's architectural control, design review and other zoning, land use, development, design and other controls are separate requirements that must be met in addition to any similar controls or services undertaken by the District.

22. Reimbursement Agreement with Adjacent Landowners. If the District utilizes reimbursement agreements to obtain reimbursements from adjacent landowners for costs of improvements that benefit the third-party landowners, such agreements shall be done in accordance with Town Code. Any and all resulting reimbursements received for such improvement shall be used to re-pay the cost of the Public Improvement that is the subject of the reimbursement agreement or shall be deposited in the District's debt service fund and used for the purpose of retiring Debt. The District shall maintain an accurate accounting of the funds received and disbursed pursuant to reimbursement agreements.

23. Land Purchase Limitation. Proceeds from the sale of Debt and other revenue of the District may be used to pay the Developer for the acquisition from the Developer of any real property, easements or other interests not required to be dedicated for public use by annexation agreements, pursuant to Approved Development Plans, the Town Code or other development requirements. Examples of ineligible reimbursements include, but are not limited to: the acquisition of rights of way, easements, land for public drainage, parkland, or open space, unless separate consent is given by resolution of the Town Council.

24. Reimbursement of Public Improvement Related Costs. Prior to the reimbursement to the Developer for costs incurred in the organization of the District, for funds expended on the District's behalf related to the Public Improvements, for the payment by the District for an invoice related to a Public Improvement cost, or for the acquisition of any part of the Public Improvements, the District shall receive: a) the report of an engineer retained by the District, independent of the Developer and licensed in Colorado verifying that, in such engineer's professional opinion, the reimbursement for the costs of the Public Improvements that are the subject of the reimbursement or acquisition, including the construction costs and the soft costs, but excluding the accounting and legal fees, are, in such engineer's opinion, reasonable and are related to the provision of the Public Improvements or are related to the District's organization; and b) the report of an accountant retained by the District, independent of the Developer and licensed in Colorado verifying that, in such accountant's professional opinion, the reimbursement for the accounting and legal fees that are the subject of the reimbursement or acquisition, are, in such

accountants opinion, reasonable and related to the Public Improvements or the District's organization. Upon request, the District shall provide the reports to the Town.

25. Developer Reimbursement of Administration, Operations and Maintenance Related Costs. Prior to the reimbursement to the Developer for costs incurred or for funds expended on behalf of the District related to the administration of the District or the operation and maintenance of the Public Improvements, the District shall receive the report of an accountant retained by the District, who is independent of the Developer and licensed in Colorado, verifying that, in such accountant's professional opinion, the reimbursement of the funds advanced for such administration, operations or maintenance costs, are, in such accountant's opinion, receivable and related to the administration, operations or maintenance of the District or the Public Improvements. Upon request, the District shall provide the report to the Town.

26. Board Meetings and Website Limitations. Once an End User owns property in the Service Area, the District's Board meeting(s) shall be conducted within the boundaries of the Town of Johnstown or conducted virtually via internet or telephone platform available for free access by the public. The District shall establish and maintain a public website and shall include the name of the Project or a name that allows property owners and residents of the District to readily locate the District online and shall also include an updated street map for those properties within the Service Area that have constructed streets that are open for public use. In addition, the District shall timely post a copy of all of the following documents on its public website: (a) each call for nominations, required pursuant to Section 1-13.5-501, C.R.S., (b) the transparency notices provided pursuant to 32-1-809, C.R.S, (c) each recorded declaration of covenants if the District provides Covenant Enforcement and Design Review Services, (d) a copy of this Service Plan and all amendments thereto, (e) all approved budgets, audits, meeting minutes, Board orders and resolutions, (f) any Rules and Regulations adopted by the Board, and (g) all meeting agendas and meeting packets.

27. Financial Review. The Town shall be permitted to conduct periodic reviews of the financial powers of the District in the Service Plan in the manner and form provided in Section 32-1-1101.5, C.R.S. As provided in the statute, the Town may conduct the first financial review in the fifth calendar year after the calendar year in which a special district's ballot issue to incur general obligation indebtedness was approved by its electors. After such fifth calendar year and notwithstanding the provisions of the statute, the Town may conduct the financial review at any time, by providing sixty (60) days written notice to the District, except that the Town may not conduct a financial review within sixty (60) months of the completion of its most recent financial review. The Town's procedures for conducting a financial review under this Paragraph, and the remedies available to the Town as a result of such financial review, shall be identical to those provided for in Section 32-1-1101.5(2), C.R.S. The District shall be responsible for payment of the Town consultant and legal and administrative costs associated with such review, and the Town may require a deposit of the estimated costs thereof.

28. Use of Proceeds and Revenues Limitations. Proceeds from the sale of Debt instruments and other revenue of the District may be used to pay landowners within the District for any real property, easements or other interests not required to be dedicated for public use by annexation agreements or the Town's land use codes or development requirements and for the cost of any capital improvements, costs of issuance of any debt or other facilities, services and

improvements authorized by the Service Plan. Additionally, if the Developer constructs the public infrastructure and conveys it to the District in return for a reimbursement obligation from the District, prior to making such reimbursement for such amounts, the District must receive the report of an independent engineer or accountant licensed in Colorado confirming that in such engineer's or accountant's professional opinion, the amount of the reimbursement is reasonable (a "Cost Verification Report").

29. Transfer Fee Limitation. The District shall not be authorized to collect or spend revenue from a transfer fee on the sale of real property within the District, except pursuant to an intergovernmental agreement with the Town.

30. Miscellaneous Powers. The District shall have the power to provide any facility, service, or program allowed by C.R.S. § 32-1-1004(1).

31. New Powers. If, after the Service Plan is approved, the Colorado General Assembly grants new or broader powers for metropolitan districts, to the extent permitted by law, any or all such powers shall be deemed to be a part hereof and available to be exercised by the District only following written approval by the Town, subject to the Town's sole discretion.

B. Service Plan Amendment Requirement.

This Service Plan has been designed with sufficient flexibility to enable the District to provide required services and facilities under evolving circumstances without the need for numerous amendments. Provided, however, the District shall not have the authority to issue Debt until it has received approval of an amendment to this Service Plan in the form of an Amended and Restated Service Plan. Actions of the District which violate the limitations set forth in this Service Plan shall be deemed to be material modifications to this Service Plan and the Town shall be entitled to all remedies available under State and local law to enjoin such actions of the District, including the remedy of enjoining the issuance of additional authorized but unissued Debt, until such material modification is remedied.

C. Capital Plan.

The District shall have authority to provide for the planning, design, acquisition, construction, installation and financing of the Public Improvements within and without the boundaries of the District to the extent necessary to improve or construct Public Improvements, as more specifically defined in this Service Plan, the Special District Act and Approved Development Plan(s) for the Project. A Capital Plan, attached hereto as **Exhibit E**, includes: (1) a list of the Public Improvements to be developed by the District, supported by an engineering or architectural survey; (2) a good faith estimate of the cost of the Public Improvements; and (3) a pro forma capital expenditure plan correlating expenditures with development. The Public Improvements described in the Capital Plan may be modified in an Approved Development Plan or an intergovernmental agreement with the Town and may differ from the Capital Plan without constituting a material modification of this Service Plan. To the extent that the Capital Plan sets forth the timing of the construction of the Public Improvements, such timing may also deviate from the Capital Plan without constituting a material modification of this Service Plan. As shown in the Capital Plan, the estimated cost of the Public Improvements for the District boundaries (of approximately 50.773

acres) is approximately Eighteen Million, Nine Hundred Fourteen Thousand, Nine Hundred Sixteen Dollars (\$18,914,916). Costs of required Public Improvements that cannot be financed by the District within the parameters of this Service Plan and the financial capability of the District are expected to be financed by the Developer of the Project or through private financing.

The District shall be permitted to allocate costs between such categories of the Public Improvements as deemed necessary in its discretion.

All of the Public Improvements described herein shall be designed in such a way as to assure that the Public Improvements are constructed in accordance with Town standards and with the requirements of Approved Development Plans related to the project. All descriptions of the Public Improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, the Town's requirements, and construction scheduling may require. Upon approval of this Service Plan, the District shall continue to develop and refine the Capital Plan and the Map Depicting Public Improvements, as necessary, and prepare for issuance of Debt. All cost estimates will be adjusted to reflect then-current dollars at the time of the issuance of Debt and construction. All construction cost estimates contained in **Exhibit E** assume construction to applicable standards and specifications of the Town and state or federal requirements.

VI. FINANCIAL PLAN

A. General.

The District shall be authorized to provide for the planning, design, acquisition, construction, installation and financing of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay from revenues derived from the Maximum Debt Mill Levy and other legally available revenues. The District may only rely on specific ownership taxes, advances from the Developer and grants, subject to the limitations of this Service Plan.

The total Debt that the District shall be permitted to issue shall not exceed the Maximum Debt Authorization of \$3,600,000, which is estimated to be the amount necessary to net approximately \$1,797,587 in proceeds or reimbursements or any combination thereof from available District revenues for Public Improvements serving the District, as well as the traditional transactional and financing costs. Debt of the District shall be permitted to be issued on a schedule and in such year or years as the District determines to meet the needs of the Financial Plan referenced above and phased to serve development as it occurs. This Maximum Debt Authorization of \$3,600,000 allows for approximately 120% coverage of the estimated financial plan and pro-forma projections to provide an additional contingency for changes in actual construction, increases in assessed valuation and unforeseen changes and contingencies.

(1) The Financial Plan, prepared by Piper Sandler & Co., attached hereto as **Exhibit F**, sets forth (i) how the Public Improvements are to be financed; (ii) the proposed indebtedness with a schedule indicating the years in which the Debt is scheduled to be issued; and (iii) the estimated revenue for both debt and operating revenue derived from property taxes and

other legally available revenues for the District. The Maximum Debt Authorization is supported by the Financial Plan.

(2) In addition to the other requirements of this Service Plan, at least forty-five (45) days prior to the issuance of any Debt, the District shall submit to the Town the then-current financial forecasts and feasibility reports for such proposed issuance, together with a current certification, of the Board(s) issuing such Debt, dated within sixty (60) days of such submittal, that such proposed Debt is in compliance with the Service Plan.

(3) At least ten (10) business days prior to the issuance of Publicly-Marketed Debt, the District shall provide the Town with the marketing documents that have been or shall be published. Within ten (10) days subsequent to the issuance of Publicly-Marketed Debt, the District shall provide the Town with the Bond Counsel Opinion addressed to the District and the Town regarding the issuance of the Debt and copies of the relevant Debt documents.

B. Maximum Voted Interest Rate, Maximum Underwriting Discount, Maximum Interest Rate on Developer Debt.

The interest rate on any Debt is limited to the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not to exceed eight percent (8%) simple interest. The proposed maximum underwriting discount will be four percent (4%). Debt, when issued, shall comply with all relevant requirements of this Service Plan, State law and Federal law as then applicable to the issuance of public securities.

The interest rate on Developer Debt shall not exceed the lesser of the current Bond Buyer 20-Bond GO index plus four percent (4%) or eight percent (8%) simple interest. Developer Debt shall be subordinate to other Debt of the District and shall be subject to the debt limitation term provided in Section VI.D below.

C. Mill Levies.

1. Maximum Debt Mill Levy. The Maximum Debt Mill Levy shall be forty (40) mills subject to an Assessment Ratio Adjustment.

2. Operations and Maintenance Mill Levy. The Operations and Maintenance Mill Levy shall be a mill levy the District is permitted to impose for payment of the District's administrative, operations and maintenance costs, which shall include, but not be limited to, the funding of operating reserves and sufficient ending fund balances to assure sufficient cash flow to fund expenses as they come due. Prior to the imposition of a mill levy for payment of Debt, the District may impose a maximum Operations and Maintenance Mill Levy of fifty (50) mills. After the imposition of a mill levy for the payment of Debt, the District shall not impose an Operations and Mill Levy that exceeds ten (10) mills, subject to an Assessment Ratio Adjustment, and shall at all times not exceed the maximum mill levy necessary to pay those expenses.

D. Mill Levy Imposition Term.

1. Developer Debt Mill Levy Imposition Term. Developer Debt shall expire and be forgiven twenty (20) years after the date of the initial imposition by the District of an ad

valorem property tax to pay any Debt, unless such term is otherwise extended pursuant to an intergovernmental agreement with the Town. Refunding Bonds shall not be subject to this Developer Debt Mill Levy Imposition Term so long as such Refunding Bonds are not owned by the Developer or by a person or party related to the Developer. Developer Debt shall not have any call protection.

2. Maximum Debt Mill Levy Imposition Term: In addition to the Developer Debt Mill Levy Imposition Term, the District shall not impose a levy for repayment of any and all Debt (or use the proceeds of any mill levy for repayment of Debt) on any single property developed for residential uses which exceeds forty (40) years after the year of the initial imposition of such mill levy unless a majority of the Board of the District imposing the mill levy are End Users residing in such District and have voted in favor of a refunding of a part or all of the Debt and such refunding will result in a net present value savings as set forth in Section 11-56-101, et seq., C.R.S..

E. Debt Repayment Sources.

Debt may be repaid through gifts, grants, ad valorem taxes, and any source of payment permitted by law, this Service Plan or other agreement with the Town.

F. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Service Plan for creation of the District.

Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Service Plan shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District.

G. Security for Debt.

The District shall not pledge any revenue or property of the Town as security for any District indebtedness set forth in this Service Plan. The Town's approval of this Service Plan shall not be construed as a guarantee by the Town of payment of any of the District's obligations; nor shall anything in the Service Plan be construed so as to create any responsibility or liability on the part of the Town in the event of default by the District in the payment of any such obligation.

H. District's Operating Costs.

The estimated cost of engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, are

anticipated to be Fifty Thousand Dollars (\$50,000) which will be eligible for reimbursement from Debt proceeds as provided in this Service Plan.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed and maintained. The first year's operating budget is estimated to be Fifty Thousand (\$50,000), which is anticipated to be derived from property taxes and other revenues.

VII. ANNUAL REPORT

A. General.

The District shall file an annual report with the Town Clerk no later than August 1st of each year following the year in which the Order and Decree creating the District has been issued (the "report year") that complies with Section 32-1-207, C.R.S.

B. Reporting of Significant Events.

In addition to the information required to be disclosed under Section 32-1-207, C.R.S., the annual report required by this Section VII shall include information as to any of the following events that occurred during the report year:

1. Narrative of the District's progress in implementing the Service Plan and a summary of the development in the Project.
2. Boundary changes made or proposed.
3. Intergovernmental agreements executed.
4. A summary of any litigation involving the District.
5. Proposed plans for the year immediately following the report year.
6. Construction contracts executed and the name of the contractors as well as the principal of each contractor.
7. Status of the District's Public Improvement construction schedule and the Public Improvement schedule for the following five years.
8. Notice of any uncured defaults.
9. A list of all Public Improvements constructed by the District that have been dedicated to and accepted by the Town.
10. If requested by the Town, copies of minutes of all meetings of the District's Board of Directors.

11. The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel and the date, place and time of the regular meetings of the Board.

12. Certification from the Board that the District is in compliance with all provisions of the Service Plan.

13. Copies of any agreements with the Developer entered into in the report year.

14. Copies of any Cost Verification Reports provided to the District in the report year.

C. Summary of Financial Information.

In addition to the information required to be disclosed under Section 32-1-207, C.R.S., the annual report shall include a summary of the following information for the report year:

1. Assessed value of Taxable Property within the District's boundaries.

2. Total acreage of property within the District's boundaries.

3. Most recently filed audited financial statements of the District, to the extent audit financial statements are required by state law or most recently filed audit exemption.

4. Annual budget of the District.

5. Resolutions regarding issuance of Debt or other financial obligations, including relevant financing documents, credit agreements, and official statements.

6. Outstanding Debt (stated separately for each class of Debt).

7. Outstanding Debt service (stated separately for each class of Debt).

8. The District's tax revenue.

9. Other revenues of the District.

10. The District's Public Improvements expenditures.

11. The District's other expenditures.

12. The District's inability to pay any financial obligations as they come due.

13. The amount and terms of any new Debt issued.

14. Any Developer Debt.

VIII. DISSOLUTION

Upon a determination of the Town Council that the purposes for which the District was created have been accomplished or as set forth in the Intergovernmental Agreement with the Town, the District shall file a petition in the District Court for dissolution, pursuant to the applicable State statutes. Dissolution shall not occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required pursuant to State statutes. Except as otherwise required in the Intergovernmental Agreement or in the Development and Reimbursement Agreement, dissolution shall not be required if the District elects to finance, construct and acquire the common areas, facilities and improvements, as such Public Improvements would be owned, operated and maintained by the District.

IX. INTERGOVERNMENTAL AGREEMENT

The form of Intergovernmental Agreement to be entered into between the Town and the District at the District's organizational meeting is attached as **Exhibit D**. The District shall submit the executed Intergovernmental Agreement to the Town within ten (10) days of the District's organizational meeting.

Intergovernmental agreements and amendments thereto proposed to be entered into by the District shall be submitted to the Town at least forty-five (45) days prior to their execution by the District, for Town review. Such Town review and approval shall be with reference to whether the intergovernmental agreement(s) are in compliance with this Service Plan, the Intergovernmental Agreement, and the terms of any Approved Development Plan or other instrument related to the Public Improvements. Town Approval shall be at the discretion of the Town Manager who shall decide whether such request for approval shall be provided in a letter of response or if the matter requires additional consideration for approval by the Town Council, an agreement between the parties or an amendment to the Service Plan.

The District and the Developer shall also execute indemnification letters in the form attached hereto as **Exhibit H**. The Developer's indemnification letter shall be submitted to the Town as part of this Service Plan. The District shall approve and execute the indemnification letter at its first Board meeting after its organizational election, in the same form as the indemnification letter set forth as **Exhibit H**, and shall deliver an executed original to the Town within ten (10) days of the District's organizational meeting.

X. NON-COMPLIANCE WITH SERVICE PLAN

In the event it is determined that the District has undertaken any act or omission which violates the Service Plan or constitutes a material departure from the Service Plan, the Town may impose any of the sanctions set forth in the Town Code and pursue any sanctions or remedies available under law, including but, not limited to, affirmative relief to require the District to act in accordance with the provisions of this Service Plan.

XI. MISCELLANEOUS

A. Headings. Paragraph headings and titles contained herein are intended for convenience and reference only and are not intended to define, limit or describe the scope or intent of any provision of this Service Plan.

B. Town Consent. Unless otherwise provided herein or provided in an intergovernmental agreement with the Town, references in this Service Plan to Town consent or Town approval shall require prior written approval of the Town. At the Town Manager's discretion, the Town Manager shall decide if (1) he or she may provide the written Town approval, if approval is warranted; (2) the matter should be referred to the Town Council for consideration and, if appropriate, approval by Resolution; (3) the matter requires consideration for approval in the form of an agreement with the Town; or (4) the matter requires an amendment to the Service Plan.

C. Town Expenses. The District shall pay any and all expenses, including but not limited to professional service fees and attorneys' fees, incurred by the Town in enforcing any provision of the Service Plan.

D. Disclosure Notice. The District's disclosure document required pursuant to Section 32-1-104.8, C.R.S. shall be in substantial conformance with the form of such notice set forth in **Exhibit G**. In addition to the statutory notice, the District shall use reasonable efforts to assure that all End Users receive written notice regarding existing District mill levies, the Maximum Debt Mill Levy, and a general description of the District's authority to impose and collect fees. Among other means to accomplish the foregoing, the District shall use best efforts to ensure that the Developer and all builders provide notice to End Users by written disclosure and by posting such notices in all model homes and sales offices.

E. To the extent permitted by law, the District shall set forth a process for transition of the Board of Directors of the District to End Users of the District or set forth alternative means by which End Users may otherwise have control over the ongoing administration, operations, maintenance and financing responsibilities of the District and the Public Improvements that are owned and maintained by the District, but no sooner than after issuance of the Debt needed to finance the Public Improvements and completion of substantially all of the development within the District.

XII. CONCLUSION

It is submitted that this Service Plan for the District, as required by Section 32-1-203(3), C.R.S., establishes that:

1. There is sufficient existing and projected need for organized service in the area to be serviced by the proposed special district;
2. The existing service in the area to be served by the proposed special district is inadequate for present and projected needs;
3. The proposed special district is capable of providing economical and sufficient service to the area within its proposed boundaries;

4. The area to be included in the proposed special district has, or 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 county 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 proposed special district are compatible with the facility and service standards of each county within which the proposed special district is to be located and each municipality which is an interested party under section 32-1-204(1);

7. The proposal is in substantial compliance with a master plan adopted pursuant to the Town Code;

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

9. The creation of the special district is in the best interests of the area proposed to be served;

This Service Plan is submitted to the Town on behalf of the Developer, which is the District petitioner, which has contracted for the purchase of the real properties within the District Boundaries of the proposed District. The Developer has caused written notice of the Town's hearing on the proposed Service Plan to be duly given to all "interested parties" within the meaning of and at the times required by § 32-1-204, C.R.S., and will or has caused all other required filings to be made and all other applicable procedural requirements to be met. The information contained in this Service Plan is true and correct as of this date.

EXHIBIT A

Legal Descriptions

Multifamily Residential District – Southwestern Area of NE Quarter Section

Legal Description:

A parcel of land, being a part of Lot B, of Exemption No. 1060-11-1-RE2092, Reception Number 2585002, situated in the Northeast One-Quarter of Section 11, Township 4 North, Range 68 West of the Sixth Principal Meridian, County of Weld, State of Colorado.

And more particularly described as follows:

Commencing at the southwest corner of Lot B, of Exemption No. 1060-11-1-RE2092, Reception Number 2585002, said point being 30 feet North of the center quarter corner of Section 11, the northwest corner of a 30 foot right of way deed, Great Western Construction Company, Book 190 Page 77, and the POINT OF BEGINNING;

Thence departing said right of way deed $N00^{\circ}26'18''W$ along the west line of the northeast quarter of said section, a distance of 1,333.97 feet;

Thence deflecting off said section line $N89^{\circ}33'42''E$, a distance of 719.64 feet to the start of a tangential curve;

Thence along said curve to the right having a radius of 250.00 feet, a delta angle of $15^{\circ}08'29''$, a chord bearing of $N82^{\circ}52'03''W$, a chord length of 65.87 feet, an arc length of 66.07 feet;

Thence $S00^{\circ}26'18''E$ a distance of 1318.38 feet to a point on the north line of the same right of way deed, Great Western Construction Company, Book 190 Page 77;

Thence $S89^{\circ}05'16''W$ along said north line, a distance of 784.96 feet to the POINT OF BEGINNING.

Containing 1,110,709 square feet or 25.498 acres, more or less.

Multifamily Residential District – Northern Area of NE Quarter Section

Legal Description:

A parcel of land, being a part of Lot B, of Exemption No. 1060-11-1-RE2092, Reception Number 2585002, situated in the Northeast One-Quarter of Section 11, Township 4 North, Range 68 West of the Sixth Principal Meridian, County of Weld, State of Colorado.

And more particularly described as follows:

Commencing at the southwest corner of Lot B, of Exemption No. 1060-11-1-RE2092, Reception Number 2585002, said point being 30 feet North of the center quarter corner of section 11, N42°46'11"E, a distance of 1,619.52 feet to the POINT OF BEGINNING.

Thence N11°14'20"E, a distance of 380.83 feet;

Thence N00°26'18"W, a distance of 859.21 feet to a point on the south line of an adjoining parcel, Subdivision Exemption 665, Reception Number 2585002, and the north edge of the Consolidated Home Supply Ditch, Reception Number 1602319 and north line of Lot B;

Thence along said line the following fifteen courses:

- 1) Starting on a curve to the left having a radius of 406.56 feet, a delta angle of 4°55'27", a chord bearing of S81°47'02"E, a chord length of 34.93 feet, an arc length of 34.94 feet;
- 2) Thence S82°18'09"E, a distance of 72.95 feet to the start of a non-tangential curve;
- 3) Thence along said curve to the right having a radius of 456.82 feet, a delta angle of 10°12'37", a chord bearing of S76°56'40"E, a chord length of 81.30 feet, an arc length of 81.41 feet;
- 4) Thence S70°19'40"E, a distance of 40.88 feet to the start of a non-tangential curve;
- 5) Thence along said curve to the right having a radius of 275.76 feet, a delta angle of 15°37'23", a chord bearing of S59°44'23"E, a chord length of 74.96 feet, an arc length of 85.19 feet to the start of a non-tangential curve;
- 6) Thence along said curve to the right having a radius of 926.26 feet, a delta angle of 4°27'24", a chord bearing of S50°31'47"E, a chord length of 72.03 feet, an arc length of 72.05 feet;
- 7) Thence S47°51'00"E, a distance of 65.46 feet to the start of a non-tangential curve;
- 8) Thence along said curve to the left having a radius of 742.26 feet, a delta angle of 8°35'13", a chord bearing of S52°02'53"E, a chord length of 111.14 feet, an arc length of 111.24 feet;
- 9) Thence S60°31'04"E, a distance of 39.49 feet to a point being the southwest corner of Lot "A" RE2092 Recorded Exemption No. 1060-11-1RE2092, Reception Number 2585002,
- 10) Thence departing said Subdivision Exemption 665 line S60°33'11"E along the south line of said Lot "A", the north edge of said Consolidated Home Supply Ditch, and the north line of Lot B, a distance 50.17 feet to the start of a non-tangential curve;
- 11) Thence along said curve to the left having a radius of 170.43 feet, a delta angle of 9°32'43", a chord bearing of S64°29'22"E, a chord length of 28.36 feet, an arc length of 28.39 feet;
- 12) Thence S69°03'58"E, a distance of 21.67 feet to the start of a non-tangential curve;
- 13) Thence along said curve to the left having a radius of 209.92 feet, a delta angle of 8°31'15", a chord bearing of S72°33'42"E, a chord length of 31.19 feet, an arc length of 31.22 feet;
- 14) Thence S78°36'38"E, a distance of 150.86 feet to the start of a non-tangential curve;

15) Thence along said curve to the left having a radius of 255.94 feet, a delta angle of $15^{\circ}34'55''$, a chord bearing of $S82^{\circ}44'50''E$, a chord length of 69.39 feet, an arc length of 69.60 feet;

Thence departing said line $S00^{\circ}23'51''E$, a distance of 379.44 feet to the start of a tangential curve;

Thence along said curve to the right having a radius of 18.00 feet, a delta angle of $11^{\circ}38'11''$, a chord bearing of $S05^{\circ}25'15''W$, a chord length of 3.65 feet, an arc length of 3.66 feet;

Thence $S11^{\circ}14'20''W$, a distance of 779.61 feet to the start of a tangential curve;

Thence along said curve to the right having a radius of 25.00 feet, a delta angle of $78^{\circ}21'49''$, a chord bearing of $S50^{\circ}25'15''W$, a chord length of 31.59 feet, an arc length of 34.19 feet;

Thence $S89^{\circ}36'09''W$, a distance of 129.98 feet to the start of a tangential curve;

Thence along said curve to the right having a radius of 330.00 feet, a delta angle of $29^{\circ}14'12''$, a chord bearing of $N75^{\circ}46'45''W$, a chord length of 166.57 feet, an arc length of 168.39 feet;

Thence $N61^{\circ}09'39''W$, a distance of 517.89 feet to the POINT OF BEGINNING.

Containing 1,100,986 square feet or 25.275 acres, more or less.

EXHIBIT B

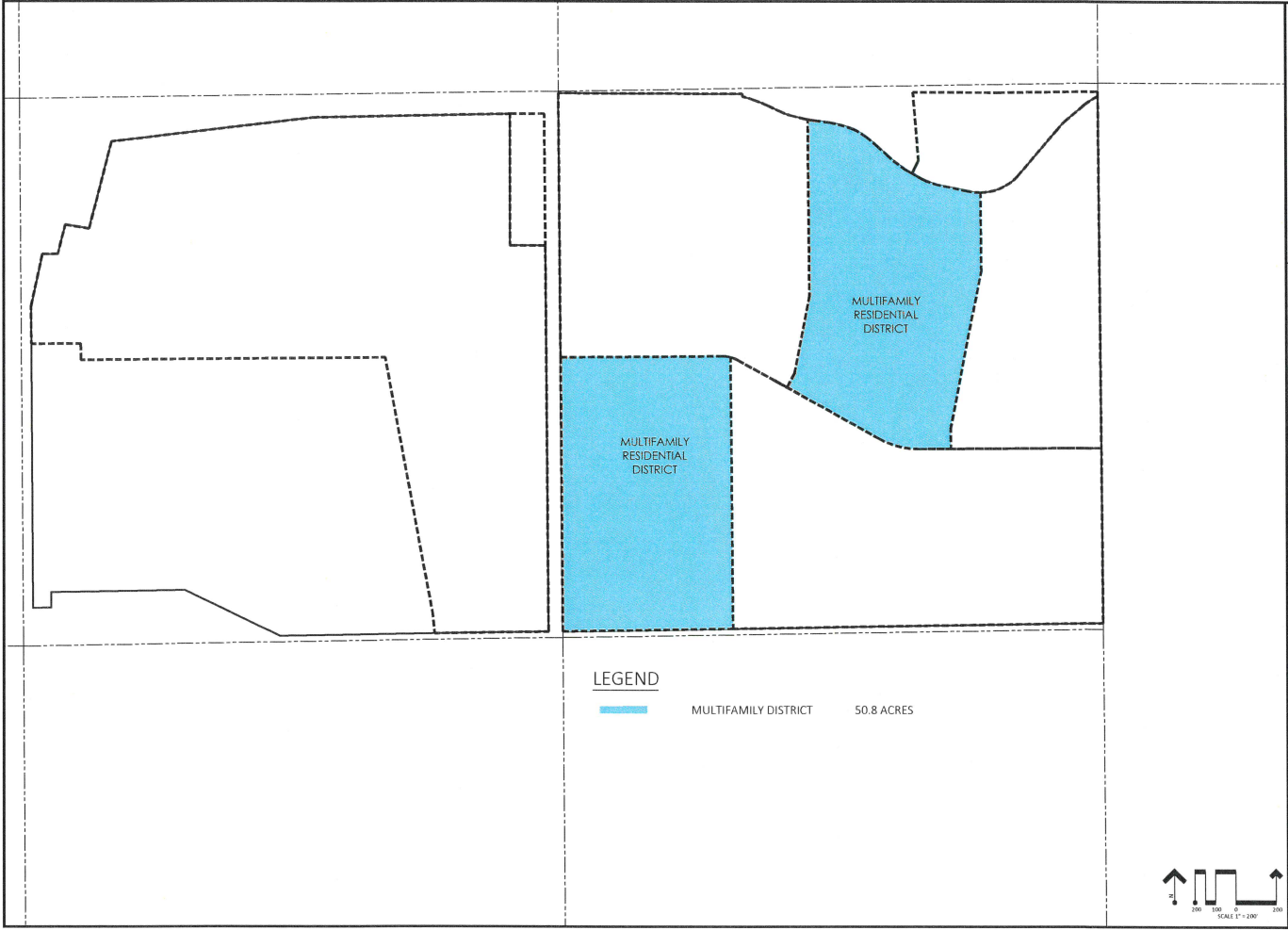
Johnstown Vicinity Map



POINT CONSULTING LLC 8400 WEST COUNTY AVENUE #100 LITTLETON, COLORADO 80120 TEL: 303.756.0818 FAX: 303.756.0818 WWW.POINTCONSULTING.COM LANDSCAPE ARCHITECTURE LAND PLANNING LAND SURVEYING	
PROJECT EXHIBITS Ledge Rock Center JOHNSTOWN, COLORADO	
DATE: 3/20/2025 DRAWN BY: J. J. JENSEN CHECKED BY: J. J. JENSEN APPROVED BY: J. J. JENSEN	VICINITY MAP JOB NO. 21-022 SHEET 1/1

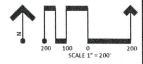
EXHIBIT C-1

District Boundary Map



LEGEND

 MULTIFAMILY DISTRICT 50.8 ACRES



POINT POINT CONSULTING, LLC 5160 AVENUE 104 DENVER, CO 80231 720.258.8534 www.pointconsulting.com URBAN PLANNING LANDSCAPE ARCHITECTURE LAND SURVEYING	PROJECT EXHIBITS Ledge Rock Center JOHNSTOWN, COLORADO	DESCRIPTION COMBINED PRELIMINARY LANDSCAPE ARCHITECTURE AND SITE PLAN (SMP) DATE 2/20/18 2/20/18 2/20/18
PROJECT BOUNDARY JOB NO. 21-022		SHEET 1/2

EXHIBIT C-2

Proofs of Ownership and Consent of Owners

**Ellen Anderson
109138 County Road 13
Johnstown, CO 80534**

**Kevin J. Cook
PO BOX 1020
Berthoud, CO 80513**

Town Council
Town of Johnstown, Colorado
450 S Parish Ave
Johnstown, CO 80534

RE: Proposed Ledge Rock Center Commercial Metropolitan District, Ledge Rock Center Residential Metropolitan District No. 1, Ledge Rock Center Residential Metropolitan District No. 2 (collectively, the “Districts”)

To the Town Council of the Town of Johnstown:

Ellen Anderson (as to a 72.45% interest as tenant in common) and Kevin J. Cook (as to a 27.55% interest as tenant in common) constitute all owners of the property within the initial boundaries of the proposed Districts, excluding rights of way and tracts dedicated to the Town. These initial approximate 148 acres more or less (the “Property”) has been under contract since April 6, 2021 with Michael Schlup, who is in the process of forming the Districts to contain the Property in the initial boundaries of the proposed Service Plans for the Districts. The purpose of this letter is to advise that the following property owners consent to the organization of the District.

Property Owners:

Ellen Anderson (72.45%)

By: _____  DocuSigned by:
22E58720877D4D7...

Kevin J. Cook (27.55%)

By: _____  DocuSigned by:
9FE58C90C80A423...

Certificate Of Taxes Due

Account Number R7288598

Certificate Number 237221

Parcel 106111200023

Order Number 25186901

Assessed To

Vendor ID 14

ANDERSON ELLEN (72.45% INT)
PO BOX 1020
BERTHOUD, CO 80513-2020

LAND TITLE GUARANTEE OF FT COLLINS
772 WHALERS WAY STE 100
FT COLLINS, CO 80525

Legal Description

Situs Address

JOH PT NE4 11-4-68 (RIDGEVIEW RANCH ANNEX) LOT B REC EXEMPT RE-2092 EXC UPRR RES

JOHNSTOWN

Year	Tax	Adjustments	Interest	Fees	Payments	Balance
Tax Charge						
2020	\$4,170.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,170.00
Total Tax Charge						\$4,170.00
Grand Total Due as of 04/09/2021						\$4,170.00

Tax Billed at 2020 Rates for Tax Area 2963 - 2963

Authority	Mill Levy	Amount	Values	Actual	Assessed
WELD COUNTY	15.0380000*	\$593.70	AG-FLOOD IRRIGATED	\$134,835	\$39,100
SCHOOL DIST RE5J	47.8090000*	\$1,887.51	LAND		
NORTHERN COLORADO WATER (NC	1.0000000	\$39.48	AG-MEADOW HAY	\$1,257	\$360
JOHNSTOWN TOWN	23.9470000	\$945.42	LAND		
FRONT RANGE FIRE RESCUE (JO	11.5240000	\$454.97	AG-WASTE LAND	\$74	\$20
AIMS JUNIOR COLLEGE	6.3050000	\$248.92	Total	\$136,166	\$39,480
Taxes Billed 2020	105.6230000	\$4,170.00			

* Credit Levy

All payments made are subject to final bank clearance.

WARNING - THIS TAX CERTIFICATE DOES NOT WARRANT ANY TAXES OWED ON UNDERLYING ACCOUNTS, INCLUDING PARENT OR SIBLING ACCOUNTS. ALL TAX LIEN SALE AMOUNTS ARE SUBJECT TO CHANGE DUE TO ENDORSEMENT OF CURRENT TAXES BY THE LIENHOLDER OR TO ADVERTISING AND DISTRRAINT WARRANT FEES. CHANGES MAY OCCUR AND THE TREASURER'S OFFICE WILL NEED TO BE CONTACTED PRIOR TO REMITTANCE.

TAX LIEN SALE REDEMPTION AMOUNTS MUST BE PAID BY CASH OR CASHIER'S CHECK.

POSTMARKS ARE NOT ACCEPTED ON TAX LIEN SALE REDEMPTION PAYMENTS. PAYMENTS MUST BE IN OUR OFFICE AND PROCESSED BY THE LAST BUSINESS DAY OF THE MONTH.

SPECIAL TAXING DISTRICTS AND THE BOUNDARIES OF SUCH DISTRICTS MAY BE ON FILE WITH THE BOARD OF COUNTY COMMISIONERS, THE COUNTY CLERK, OR THE COUNTY ASSESSOR.

This certificate does not include land or improvements assessed under a separate account number, personal property taxes, transfer tax or misc. tax collected on behalf of other entities, special or local improvement district assessments or mobile homes, unless specifically mentioned.

I, the undersigned, do hereby certify that the entire amount of taxes due upon the above described parcel of real property and all outstanding sales for unpaid taxes as shown by the records in my office from which the same may still be redeemed with the amount required for redemption are as noted herein. In witness whereof, I have hereunto set my hand and seal.

TREASURER, WELD COUNTY, John R. Lefebvre, Jr.

1400 N. 17th Avenue

Greeley, CO 80631

(970) 400-3290



**Land Title Guarantee Company
Customer Distribution**



PREVENT FRAUD - Please remember to call a member of our closing team when initiating a wire transfer or providing wiring instructions.

Order Number: **FCC25186901-3**

Date: **05/31/2021**

Property Address: **VACANT LAND, TBD, CO**

PLEASE CONTACT YOUR CLOSER OR CLOSER'S ASSISTANT FOR WIRE TRANSFER INSTRUCTIONS

For Closing Assistance

Trish Melendy
345 E 27TH STREET
LOVELAND, CO 80538
(970) 663-3628 (Work)
(800) 259-6360 (Work Fax)
tmelendy@ltgc.com
Contact License: CO361823
Company License: CO44565

Closers Assistant

Gwen Klein
345 E 27TH STREET
LOVELAND, CO 80538
(970) 663-3628 (Work)
(800) 820-5138 (Work Fax)
gklein@ltgc.com
Company License: CO44565

For Title Assistance

Land Title Customer Care Team
772 WHALERS WAY #100
FORT COLLINS, CO 80525
(970) 282-3649 (Work)
(970) 282-3652 (Work Fax)
customercare@ltgc.com

Buyer/Borrower

MICHAEL SCHLUP, AMY CARROLL
Delivered via: Electronic Mail

Attorney for Buyer

AD SCHLUP LAW LLC
Attention: ALLEN SCHLUP
allen.schlup@adschluplaw.com
Delivered via: Electronic Mail

Seller/Owner

ELLEN ANDERSON
Delivered via: Electronic Mail

Attorney for Seller

BERG HILL GREENLEAF RUSCITTI LLP
Attention: PETER SCHAUB
1712 PEAR ST
BOULDER, CO 80302
pcs@bhgrlaw.com
Delivered via: Electronic Mail

Seller/Owner

KEVIN COOK
Attention: KEVIN COOK
Delivered via: Electronic Mail

Attorney for Seller

FRASCONA JOINER GOODMAN & GREENSTEIN PC
Attention: FRASCONA JOINER GOODMAN &
GREENSTEIN PC
4750 TABLE MESA DRIVE
BOULDER, CO 80305
ben@frascona.com
Delivered via: Electronic Mail

Attorney for Buyer

SPENCER FANE LLP

Attention: ADAM A VELTRI

1700 LINCOLN ST #2000

DENVER, CO 80203

(303) 565-9127 (Cell)

(303) 839-3716 (Work)

(303) 839-3999 (Work Fax)

aveltri@spencerfane.com

Delivered via: Electronic Mail

Agent for Buyer

Spencer Fane

Attention: D O'LEARY/M BERGER

doleary@spencerfane.com

mberger@spencerfane.com

Delivered via: Electronic Mail

Michael Schlup
c/o Ledge Rock Center, LLC
6917 W 135th Street, Suite B29
Overland Park, KS 66223

Town Council
Town of Johnstown, Colorado
450 S Parish Ave
Johnstown, CO 80534

RE: Proposed Ledge Rock Center Commercial Metropolitan District, Ledge Rock Center Residential Metropolitan District No. 1, Ledge Rock Center Residential Metropolitan District No. 2 (collectively, the “Districts”)

To the Town Council of the Town of Johnstown:

The property owned by Ellen Anderson and Kevin Cook of approximately 148 acres more or less (the “Property”) has been under contract since April 6, 2021 with Michael Schlup, who is in the process of forming the Districts to contain the Property in the initial boundaries of the proposed Service Plans for the Districts. As the contracting party for the purchase of this land, the purpose of this letter is to provide the Town, a letter to advise that Michael Schlup as purchaser and future property owner of the Property, provides his consent to the organization of the District.

Property Owner:

Michael Schlup

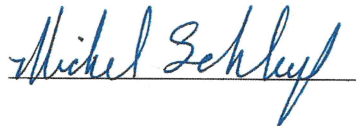
A handwritten signature in blue ink that reads "Michael Schlup". The signature is written in a cursive style and is positioned below the printed name "Michael Schlup".

EXHIBIT D

Intergovernmental Agreement between the District and Johnstown

**INTERGOVERNMENTAL AGREEMENT BETWEEN
THE TOWN OF JOHNSTOWN, COLORADO
AND
LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO. 1**

THIS AGREEMENT is made and entered into as of this ___ day of _____, _____, by and between the TOWN OF JOHNSTOWN, a home-rule municipal corporation of the State of Colorado (“Town”), and LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”). The Town and the District are collectively referred to as the “Parties.”

RECITALS

WHEREAS, the District was organized to provide those services and to exercise powers as are more specifically set forth in the District’s Service Plan approved by the Town on _____ (“Service Plan”); and

WHEREAS, the Service Plan makes reference to the execution of an intergovernmental agreement between the Town and the District; and

WHEREAS, the Town and the District have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Intergovernmental Agreement (“Agreement”).

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

COVENANTS AND AGREEMENTS

1. Operations and Maintenance Limitation. The purpose of the District is to provide for the planning, design, acquisition, construction, installation and financing of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The District shall only operate and maintain those Public Improvements that are not accepted for ownership, operations and maintenance by the Town or other appropriate entity in a manner consistent with Approved Development Plans and other rules and regulations of the Town and the Town Code.

2. Trails and Amenities. The District may own, operate, and maintain trails and related amenities within the District. All parks and trails shall be open to the general public, including Town residents who do not reside in the District. Any fee imposed by the District for access to recreation improvements owned by the District, other than parks and trails, shall not result in Town residents who reside outside the District paying a user fee that is greater than, or otherwise disproportionate to, amounts paid by owners or tenants of the District and shall not result in the District’s owners or tenants subsidizing the use by non-District’s residents. The District shall be entitled to impose a reasonable administrative fee to cover additional expenses associated

with use of District recreational improvements, other than parks and trails, by Town residents who do not reside in the District to ensure that such use is not subsidized by the District's owners or tenants.

3. Fire Protection, Ambulance and Emergency Services Limitation. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless such facilities and services are provided pursuant to an intergovernmental agreement with the Town. The authority to plan for, design, acquire, construct, install, relocate, redevelop or finance fire hydrants and related improvements installed as part of the water system shall not be limited by this provision. The District shall not be authorized to provide for ambulance or emergency medical services unless the provision of such service is approved by the Town in an intergovernmental agreement.

4. Television Relay and Translation Limitation. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain television relay and translation facilities and services, other than for the installation of conduit as a part of a street construction project, unless such facilities and services are provided pursuant to an intergovernmental agreement with the Town.

5. Telecommunication Facilities. The District agrees that no telecommunication facilities owned, operated or otherwise allowed by the District shall affect the ability of the Town to expand its public safety telecommunication facilities or impair the Town's existing telecommunication facilities.

6. Construction Standards Limitation. The District shall ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the Town and of other governmental entities having proper jurisdiction. The District shall obtain the Town's approval of civil engineering plans and applicable permits for construction and installation of Public Improvements prior to performing such work.

7. Zoning and Land Use Requirements; Sales and Use Tax. The District shall be subject to all of the Town's zoning, subdivision, building code and other land use requirements. The District shall not exercise any exemption from Town sales or use tax, whether directly or indirectly.

8. Growth Limitations. The District acknowledges that the Town shall not be limited in implementing Town Council or voter approved growth limitations, even though such actions may reduce or delay development within the District and the realization of District's revenue.

9. Conveyance. The District agrees to convey to the Town, at no expense to the Town and upon written notification from the Town, any real property owned by the District that is necessary, in the Town's sole discretion, for any Town capital improvement projects for transportation, utilities, drainage, streets or trails. The District shall, at no expense to the Town and upon written notification from the Town, transfer to the Town all rights-of-way, fee interests and easements owned by the District that the Town determines are necessary for access to and

operation and maintenance of the Public Improvements to be owned, operated and maintained by the Town, consistent with an Approved Development Plan.

10. Privately Placed Debt Limitation. Prior to the issuance of any Privately Placed Debt, including but not limited to any Developer Debt, the District shall obtain the certification of an External Financial Advisor approved by the Town, in the form substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the District's Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District and all Districts pledging revenue to the repayment of the Debt.

The District shall submit written notice to the Town Manager of the name of the proposed External Financial Advisor prior to the engagement of the External Financial Advisor which shall either be approved or objected to by the Town within twenty (20) days of the submittal of such written notice to the Town Manager. If the Town Manager does not object to such selection within the twenty (20) day period, the Town Manager's approval shall be deemed to have been given to the District retaining the External Financial Advisor named in the written notice.

Within ten (10) days subsequent to the issuance of Privately Placed Debt, the District shall provide the Town with copies of the relevant Debt documents, the External Financial Advisor Certification and the Bond Counsel Opinion addressed to the District and the Town regarding the issuance of the Debt.

11. Inclusion Limitation. The District shall not include within its boundaries any property outside the District Boundaries without the prior written consent of the Town. The District shall only include within its boundaries property that has been annexed to the Town and no portion of any of the District shall ever consist of property not within the Town's corporate boundaries.

12. Overlap Limitation. The boundaries of the District shall not overlap with another metropolitan district without the prior written consent of the Town.

13. Debt Limitation. Until the Development and Reimbursement Agreement is approved and executed by the Town and until an Amended and Restated Service Plan is approved by Town Council, the District shall not: (a) issue any Debt; or (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds.

14. Maximum Debt Authorization. The District shall not issue Debt in excess of Three Million, Six Hundred Thousand Dollars (\$3,600,000), except that the District shall not issue any Debt absent approval of an Amended and Restated Service Plan by the Town Council. Refunded Debt, wherein the initial debt issuance counted toward the Maximum Debt Authorization shall not count against the Maximum Debt Authorization set forth herein.

15. Execution of Development and Reimbursement Agreement Among The Developer, The Town and The Ledge Rock Center Commercial Metropolitan District; Dissolution Requirement. Pursuant to the Memorandum of Understanding between the Developer and the Town dated May 5, 2021, the Developer, the Town and the Ledge Rock Center Commercial Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (“Commercial District”), anticipate the negotiation and execution of a Development and Reimbursement Agreement, as that term is defined in the Service Plan for the Commercial District, providing for, among other matters, terms and conditions relating to the financing of public improvements for the Commercial District. If the Developer, the Town and the Commercial District do not execute such Development and Reimbursement Agreement by February 1, 2022, the District shall promptly file a petition in the District Court for dissolution of the District, unless such deadline is extended in writing by the Town.

16. Recurring Fee Limitation. The District may impose and collect Recurring Fees for administrative, operations and maintenance expenses and for services, programs or facilities furnished by the District. Any Recurring Fees for administrative, operations and maintenance expenses not specifically set forth in the Financial Plan, including a subsequent increase in such Recurring Fees, shall be subject to review and approval by the Town. At the discretion of the Town Manager, Town review and approval shall be provided by the Town Manager in writing or referred by the Town Manager to the Town Council. If the Town does not respond to a request for the imposition of the Recurring Fee or an increase in such Recurring Fee within forty-five (45) days of receipt of a written request from the District, the Town shall be deemed to have approved the ability of the District to impose or increase the Recurring Fee as described in the request. Any Recurring Fees imposed or increased for operation and maintenance expenses without approval as set forth herein shall constitute a material departure from the Service Plan. The revenue from a Recurring Fee shall not be used to pay for Debt.

17. Monies from Other Governmental Sources. The District shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds or other funds available from or through governmental or non-profit entities for which the Town is eligible to apply, except pursuant to an intergovernmental agreement with the Town. This Section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the District without any limitation.

18. Consolidation Limitation. The District shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the Town.

19. Bankruptcy Limitation. It is expressly intended that all of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, Maximum Debt Mill Levy Limitation Term, Developer Debt Mill Levy Imposition

Term, and the Recurring Fees, that have been established under the authority of the Town to approve a Service Plan with conditions pursuant to Section 32-1-204.5, C.R.S.:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent an amendment to the Service Plan; and

(b) Are, together with all other requirements of Colorado law, included in the “political or governmental powers” reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the “regulatory or electoral approval necessary under applicable nonbankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

The filing of any bankruptcy petition by the District shall constitute, simultaneously with such filing, a material departure of the express terms of this Service Plan, and thus an express violation of the approval of this Service Plan.

20. Water Rights/Resources Limitation. Water to satisfy the needs of the Project shall be dedicated by the Developer to the Town. The District shall not acquire, own, manage, adjudicate or develop water rights or resources except pursuant to an intergovernmental agreement with the Town. If the District provides a non-potable irrigation system, which would be owned, operated and maintained by the District, the District would be permitted to manage the raw water for the District irrigation water system in the manner set forth in a subsequently executed intergovernmental agreement with the Town.

21. Eminent Domain Limitation. Absent the prior written approval of the Town, the District shall not exercise its statutory power of eminent domain or dominant eminent domain for the purpose of condemning property outside of the Service Area. Additional approval from the Town shall not be required prior to the District’s exercise of its statutory power of eminent domain or dominant eminent domain with respect to property within the Service Area. In no event shall the District exercise its statutory power of dominant eminent domain to condemn property owned by the Town.

22. Covenant Enforcement and Design Review Services. The District shall have the power, but not the obligation, to provide Covenant Enforcement and Design Review Services within the District in accordance with the Colorado Statutes as they are amended from time to time. The Town shall not bear any responsibility for Covenant Enforcement and Design Review Services within the boundaries of the District. The Town’s architectural control, design review and other zoning, land use, development, design and other controls are separate requirements that must be met in addition to any similar controls or services undertaken by the District.

23. Special Improvement District. The District shall not be entitled to create a special improvement district pursuant to Section 32-1-1101.7, C.R.S., unless otherwise provided pursuant to an intergovernmental agreement with the Town.

24. Reimbursement Agreement with Adjacent Landowners. If the District utilizes reimbursement agreements to obtain reimbursements from adjacent landowners for costs of improvements that benefit the third-party landowners, such agreements shall be done in

accordance with Town Code. Any and all resulting reimbursements received for such improvement shall be used to re-pay the cost of the Public Improvement that is the subject of the reimbursement agreement or shall be deposited in the District's debt service fund and used for the purpose of retiring Debt. The District shall maintain an accurate accounting of the funds received and disbursed pursuant to reimbursement agreements.

25. Land Purchase Limitation. Proceeds from the sale of Debt and other revenue of the District may be used to pay the Developer for the acquisition from the Developer of any real property, easements or other interests not required to be dedicated for public use by annexation agreements pursuant to Approved Development Plans, the Town Code or other development requirements. Examples of ineligible reimbursements include, but are not limited to: the acquisition of rights of way, easements, land for public drainage, parkland, or open space, unless separate consent is given by resolution of the Town Council. If the Developer seeks reimbursement for the items described herein from the District, prior to providing reimbursement for such amounts, the District shall receive the report of an independent engineer or accountant licensed in Colorado confirming that in such engineer's or accountant's professional opinion, the amount of the reimbursement is reasonable.

26. Reimbursement of Public Improvement Related Costs. Prior to the reimbursement to the Developer for costs incurred in the organization of the District, for funds expended on the District behalf related to the Public Improvements, for the payment by the District for an invoice related to a Public Improvement cost, or for the acquisition of any part of the Public Improvements, the District shall receive: a) the report of an engineer retained by the District, independent of the Developer and licensed in Colorado verifying that, in such engineer's professional opinion, the reimbursement for the costs of the Public Improvements that are the subject of the reimbursement or acquisition, including the construction costs and the soft costs, but excluding the accounting and legal fees, are, in such engineer's opinion, reasonable and are related to the provision of the Public Improvements or are related to the District's organization; and b) the report of an accountant retained by the District, independent of the Developer and licensed in Colorado verifying that, in such accountant's professional opinion, the reimbursement for the accounting and legal fees that are the subject of the reimbursement or acquisition, are, in such accountants opinion, reasonable and related to the Public Improvements or the District's organization. Upon request, the District shall provide the reports to the Town.

27. Developer Reimbursement of Administration, Operations and Maintenance Related Costs. Prior to the reimbursement to the Developer for costs incurred or for funds expended on behalf of the District related to the administration of the District or the operation and maintenance of the Public Improvements, the District shall receive the report of an accountant retained by the District, who is independent of the Developer and licensed in Colorado, verifying that, in such accountant's professional opinion, the reimbursement of the funds advanced for such administration, operations or maintenance costs, are, in such accountant's opinion, receivable and related to the administration, operations or maintenance of the District or the Public Improvements. Upon request, the District shall provide the report to the Town.

28. Board Meetings and Website Limitations. Once an End User owns property in the Service Area, the District's Board meeting(s) shall be conducted within the boundaries of the Town of Johnstown or conducted virtually via internet or telephone platform available for free

access by the public. The District shall establish and maintain a public website and shall include the name of the Project or a name that allows property owners and residents of the District to readily locate the District online and shall also include an updated street map for those properties within the Service Area that have constructed streets that are open for public use. In addition, the District shall timely post a copy of all of the following documents on its public website: (a) each call for nominations, required pursuant to Section 1-13.5-501, C.R.S., (b) the transparency notices provided pursuant to 32-1-809, C.R.S, (c) each recorded declaration of covenants if the District provides Covenant Enforcement and Design Review Services, (d) a copy of this Service Plan and all amendments thereto, (e) all approved budgets, audits, meeting minutes, Board orders and resolutions, (f) any Rules and Regulations adopted by the Board, and (g) all meeting agendas and meeting packets.

29. Financial Review. The Town shall be permitted to conduct periodic reviews of the financial powers of the District in the Service Plan in the manner and form provided in Section 32-1-1101.5, C.R.S. As provided in the statute, the Town may conduct the first financial review in the fifth calendar year after the calendar year in which a special district's ballot issue to incur general obligation indebtedness was approved by its electors. After such fifth calendar year and notwithstanding the provisions of the statute, the Town may conduct the financial review at any time, by providing sixty (60) days written notice to the District, except that the Town may not conduct a financial review within sixty (60) months of the completion of its most recent financial review. The Town's procedures for conducting a financial review under this Paragraph, and the remedies available to the Town as a result of such financial review, shall be identical to those provided for in Section 32-1-1101.5(2), C.R.S. The District shall be responsible for payment of the Town consultant and legal and administrative costs associated with such review, and the Town may require a deposit of the estimated costs thereof.

30. Use of Proceeds and Revenues Limitations. Proceeds from the sale of Debt instruments and other revenue of the District may be used to pay landowners within the District for any real property, easements or other interests not required to be dedicated for public use by annexation agreements or the Town's land use codes or development requirements and for the cost of any capital improvements, costs of issuance of any debt or other facilities, services and improvements authorized by the Service Plan. Additionally, if the landowner/developer constructs the public infrastructure and conveys it to the District in return for a reimbursement obligation from the District, prior to making such reimbursement for such amounts, the District must receive a Cost Verification Report.

31. Transfer Fee Limitation. The District shall not be authorized to collect or spend revenue from a transfer fee on the sale of real property within the District, except pursuant to an intergovernmental agreement with the Town.

32. Miscellaneous Powers. The District shall have the power to provide any facility, service, or program allowed by C.R.S. § 32-1-1004(1).

33. New Powers. If, after the Service Plan is approved, the Colorado General Assembly grants new or broader powers for metropolitan districts, to the extent permitted by law, any or all such powers shall be deemed to be a part hereof and available to be exercised by the District only following written approval by the Town, subject to the Town's sole discretion.

34. Service Plan Amendment Requirement. Actions of the District which violate the limitations set forth in this Service Plan shall be deemed to be material modifications to this Service Plan and the Town shall be entitled to all remedies available under State and local law to enjoin such actions of the District, including the remedy of enjoining the issuance of additional authorized but unissued debt, until such material modification is remedied.

35. Maximum Residential Debt Mill Levy. The Maximum Residential Debt Mill Levy shall be forty (40) mills subject to an Assessment Ratio Adjustment.

36. Operations and Maintenance Mill Levy. The Operations and Maintenance Mill Levy shall be a mill levy the District is permitted to impose for payment of the District's administrative, operations and maintenance costs, which shall include, but not be limited to, the funding of operating reserves and sufficient ending fund balances to assure sufficient cash flow to fund expenses as they come due. Prior to the imposition of a mill levy for payment of Debt, the District may impose a maximum Operations and Maintenance Mill Levy of fifty (50) mills. After the imposition of a mill levy for the payment of Debt, the District shall not impose an Operations and Mill Levy that exceeds ten (10) mills, subject to an Assessment Ratio Adjustment, and shall at all times not exceed the maximum mill levy necessary to pay those expenses.

37. Mill Levy Imposition Term.

(a) Developer Debt Mill Levy Imposition Term. Developer Debt shall expire and be forgiven twenty (20) years after the date of the initial imposition by the District of an ad valorem property tax to pay any Debt, unless such term is otherwise extended pursuant to an intergovernmental agreement with the Town. Refunding Bonds shall not be subject to this Developer Debt Mill Levy Imposition Term so long as such Refunding Bonds are not owned by the Developer or by a person or party related to the Developer. Developer Debt shall not have any call protection.

(b) Maximum Debt Mill Levy Imposition Term: In addition to the Developer Debt Mill Levy Imposition Term, the District shall not impose a levy for repayment of any and all Debt (or use the proceeds of any mill levy for repayment of Debt) on any single property developed for residential uses which exceeds forty (40) years after the year of the initial imposition of such mill levy unless a majority of the Board of the District imposing the mill levy are End Users residing in such District and have voted in favor of a refunding of a part or all of the Debt and such refunding will result in a net present value savings as set forth in 11-56-101, et seq., C.R.S.

38. Debt Repayment Sources.

Debt may be repaid from gifts, grants, ad valorem taxes, and any source of payment permitted by law, this Service Plan or other agreement with the Town.

39. Dissolution. Upon a determination of the Town Council that the purposes for which the District was created have been accomplished or as set forth in Paragraph 15 above, the District shall file a petition in the District Court for dissolution, pursuant to the applicable State statutes. Except as provided in Paragraph 15 above, dissolution shall not occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial

obligations as required pursuant to State statutes. Except as otherwise required in the Intergovernmental Agreement or in the Development and Reimbursement Agreement, dissolution shall not be required if the District is responsible for ongoing operations and maintenance.

40. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the Town: Attn: Town Manager
Town of Johnstown
450 S. Parish Avenue
Johnstown, CO 80534
Phone: (970) 587-4664

To the District: Ledge Rock Center Residential Metropolitan
District No. 1
Attn: District Manager
c/o Pinnacle Consulting Group, Inc.
550 W. Eisenhower Blvd.
Loveland, Colorado 80537
Phone: 970-669-3611
Fax: 970-669-3612

With a copy to: Spencer Fane LLP
Attn: David S. O'Leary, Esq.
1700 Lincoln, Suite 2000
Denver, CO 80203
Phone: 303-839-3800
Fax: 303-839-3838
doleary@spencerfane.com

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address. Notice may also be provided by electronic mail on the condition that the intended recipient of the electronic mail acknowledges receipt thereof.

41. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and, unless Town Council otherwise requires, without amendment to the Service Plan.

42. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

43. Default/Remedies. Upon the occurrence of any event of breach or default by either Party, the non-defaulting party shall provide written notice to the other Party. The defaulting Party shall immediately proceed to cure or remedy such breach or default, and in any event, such breach or default shall be cured within fifteen (15) days after receipt of the notice. Following the cure period in the event of a breach or default of this Agreement by either Party, the non-defaulting Party shall be entitled to exercise all remedies available by law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof is brought by the Town to enforce the provisions of this Agreement, the Town, if the prevailing Party, shall be entitled to obtain, as part of its judgment or award, its reasonable attorneys' fees, to the extent permitted by law.

44. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Colorado and venue shall be in the County in which the District is located.

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

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

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

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

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

50. No Liability of Town. The Town has no obligation whatsoever to construct any improvements that the District is required to construct, or pay any debt or liability of the District, including any Bonds.

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

52. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Service Plan.

LEDGE ROCK CENTER RESIDENTIAL
METROPOLITAN DISTRICT NO. 1

By: _____
President

Attest:

Secretary

TOWN OF JOHNSTOWN, COLORADO

By: _____
Mayor

Attest:

By: _____
Its: _____

EXHIBIT E

Capital Plan



August 20, 2021

Town of Johnstown
Board of Trustees
450 Parish Avenue
Johnstown, Colorado 80534

Subject: Estimate of Preliminary District Expenditures for
Ledge Rock Center, Johnstown, Colorado 80534

To Whom It May Concern:

The letter serves to document that Point Consulting, LLC. prepared an Estimate of Preliminary District Expenditures for the Ledge Rock Center, dated August 20, 2021.

The estimate was based on a conceptual engineering plan for the subject proposed mixed-use development, and unit costs were based on comparable projects within the same geographic area during the year 2021.

It is our professional opinion that the construction costs presented in the estimate are reasonable and have been based on the best available information.

Should you have any questions related to this estimate, we can be reached at 720-258-6836, Ext. 1011.

Sincerely,
Point Consulting, LLC

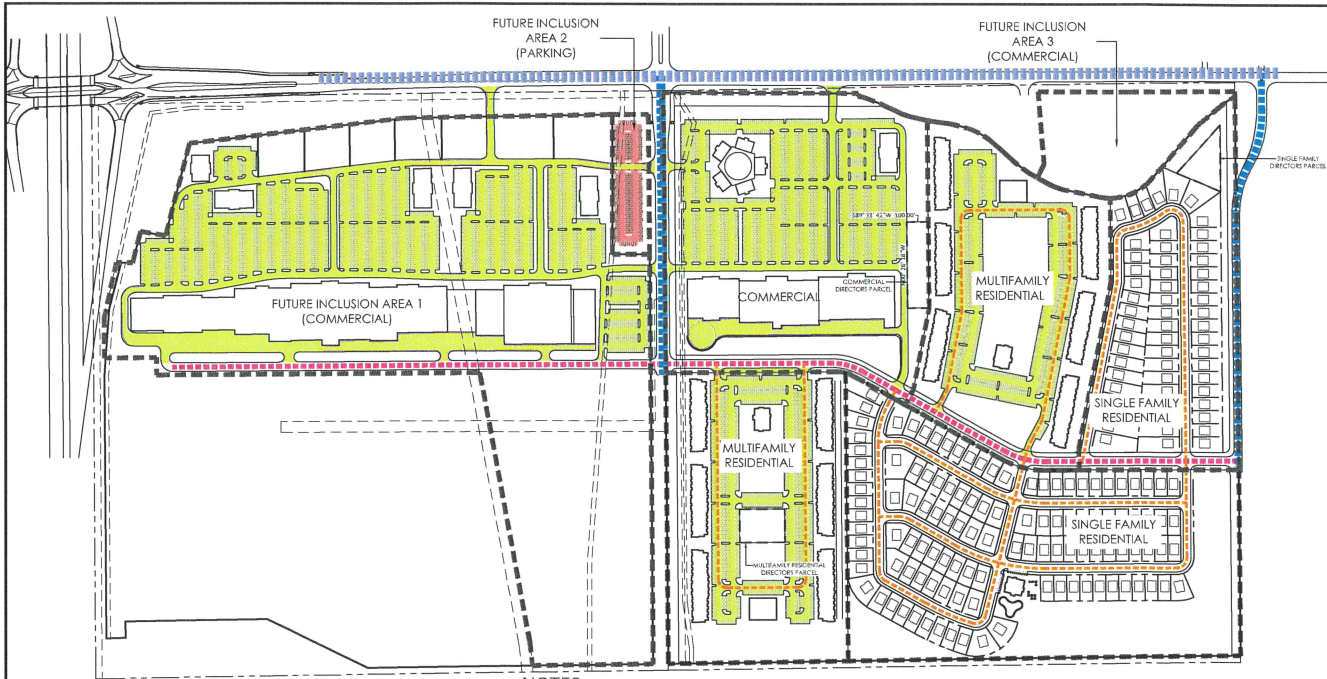
A handwritten signature in blue ink, appearing to read "Jim Shipton".

Jim Shipton,
Partner

A handwritten signature in blue ink, appearing to read "Tiffany Watson".

Tiffany Watson,
Partner



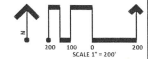



NOTES

1. DEPICTED FACILITIES ARE CONCEPTUAL AND MAY CHANGE AS DEVELOPMENT OCCURS.
2. HIGHWAY 60 WORK TO INCLUDED SOUTH SIDE WIDENING AND SIGNALIZED INTERSECTIONS.
3. OFFSITE PARKING TO BE COORDINATED WITH TOWN AND CDOT FOR REGIONAL PARK AND RIDE. COMPATIBLE AND SHARED USE ALLOWED. 90 SPACES ANTICIPATED.

LEGEND

- DISTRICT BOUNDARY
- ==== STATE HIGHWAY
- ==== ARTERIAL STREET
- ==== COLLECTOR STREET
- ==== LOCAL STREET
- ==== PUBLIC PARKING FACILITY ONSITE
- ==== PUBLIC PARKING FACILITY OFFSITE





POINT CONSULTING, LLC
 6500 W. BELLEVUE AVENUE, SUITE 100
 LITTLETON, COLORADO 80120
 TEL: 303.750.2500 FAX: 303.750.2505
 WWW.POINTCONSULTING.COM
 LANDSCAPE ARCHITECTURE
 LAND SURVEYING

PROJECT EXHIBITS

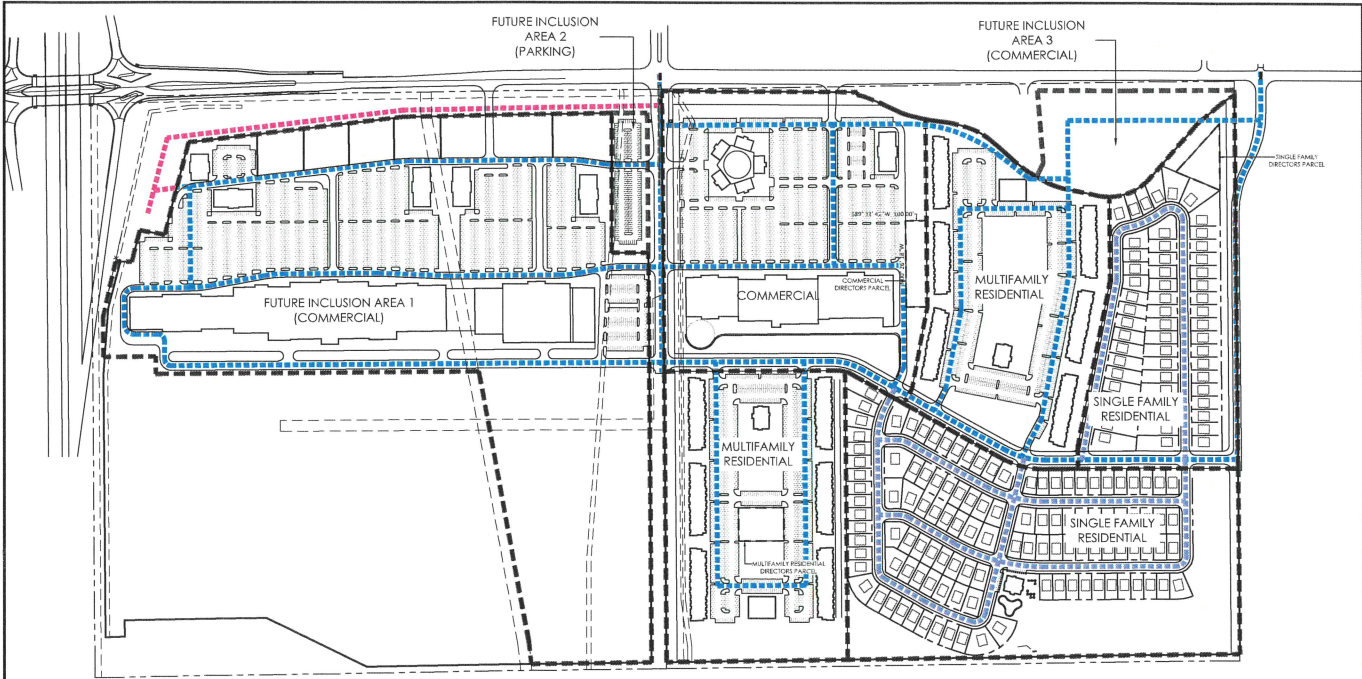
Ledge Rock Center

JOHNSTOWN, COLORADO

DATE	DESCRIPTION

ROADWAYS | JOB NO. 21-0272

SHEET 1/5

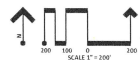


NOTES

1. OFFSITE WATERLINE DESIGNED AND INSTALLED BY TOWN, ANTICIPATED 2021.

LEGEND

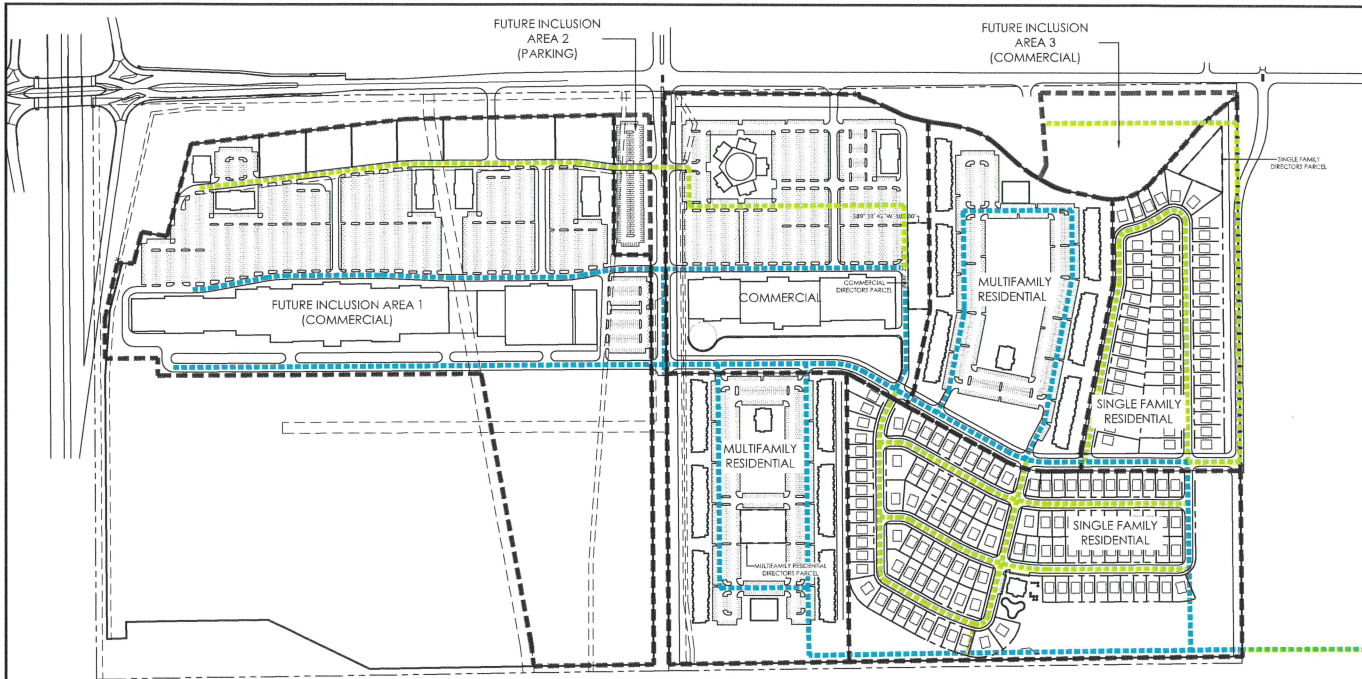
- DISTRICT BOUNDARY
- 8" WATERLINE
- 12" WATERLINE ON SITE
- 12" WATERLINE OFFSITE



PROJECT EXHIBITS
Ledge Rock Center
 JOHNSTOWN, COLORADO

DATE	DESCRIPTION
2021.03.03	CONTRACT PREPARATION
2021.03.03	PROJECT UPDATE
2021.03.03	
2021.03.03	
2021.03.03	

WATERLINES JOB NO. 21.022
 SHEET 2/5

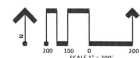



NOTES

1. DEPICTED FACILITIES ARE CONCEPTUAL AND MAY CHANGE AS DEVELOPMENT OCCURS.
2. OFFSITE 12 INCH SANITARY SEWER LINE EXTENDS 2,650 FEET EAST TO 24.5 FOOT DEEP MANHOLE, ANTICIPATED 12 INCH CONNECTION.

LEGEND

- DISTRICT BOUNDARY
- 8" SANITARY SEWER
- 12" SANITARY SEWER ON SITE
- 12" SANITARY SEWER OFFSITE





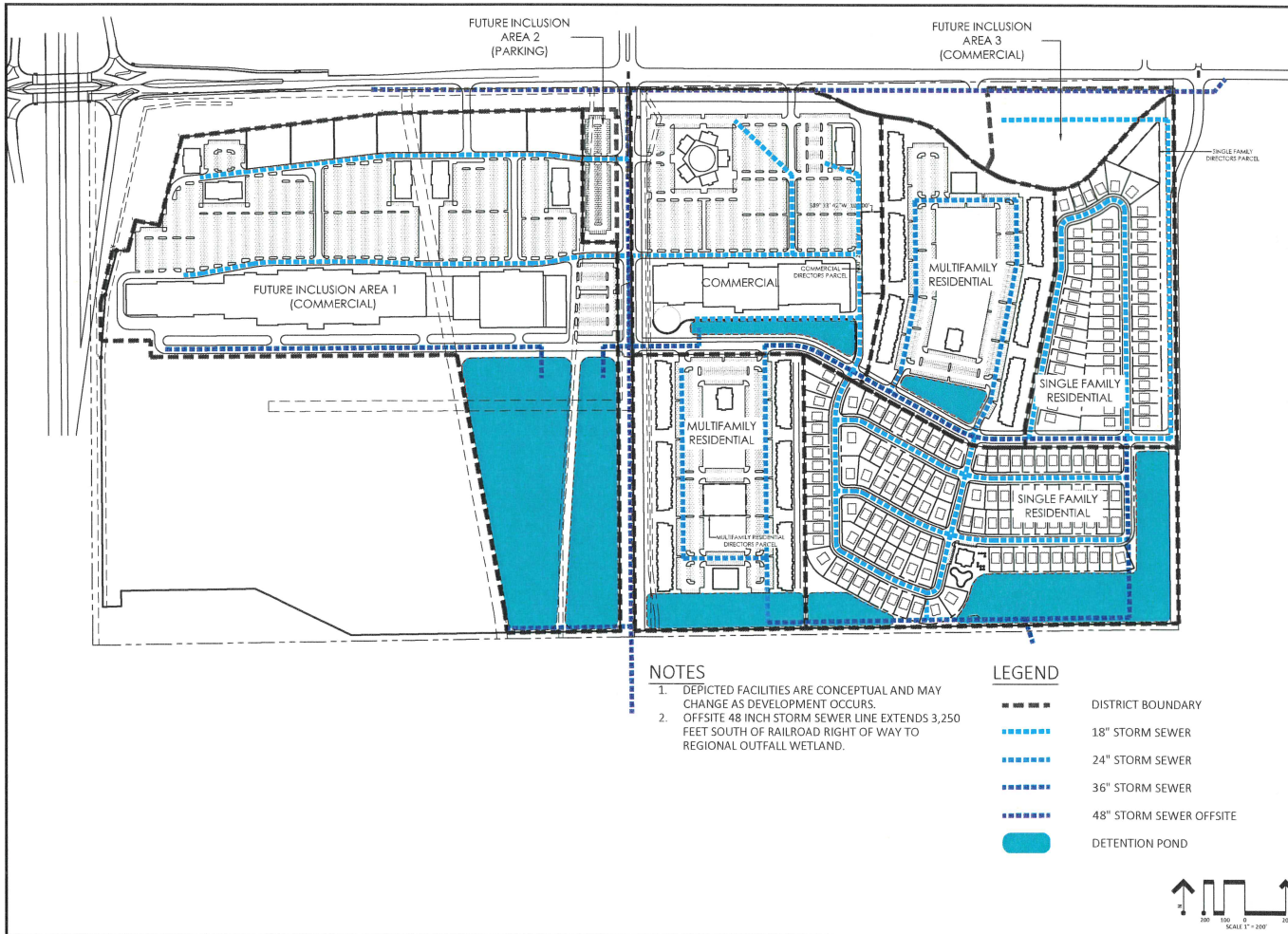
POINT CONSULTING, LLC
 8660 MARSHALL AVENUE, SUITE 100
 FORT COLLINS, CO 80526
 970.226.8800
 www.pointconsulting.com
 PLANNING
 ENGINEERING
 LANDSCAPE ARCHITECTURE
 LAND SURVEYING

Ledge Rock Center

PROJECT EXHIBITS
 SANITARY SEWER JOB NO. 21.022
 JOHNSTOWN, COLORADO

DATE	2019.02.25
DESCRIPTION	FINAL SANITARY SEWER PLAN
PROJECT LEADER	[REDACTED]
DRAWN BY	[REDACTED]
CHECKED BY	[REDACTED]
SCALE	AS SHOWN

SHEET 2/3

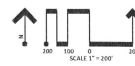



NOTES

1. DEPICTED FACILITIES ARE CONCEPTUAL AND MAY CHANGE AS DEVELOPMENT OCCURS.
2. OFFSITE 48 INCH STORM SEWER LINE EXTENDS 3,250 FEET SOUTH OF RAILROAD RIGHT OF WAY TO REGIONAL OUTFALL WETLAND.

LEGEND

- DISTRICT BOUNDARY
- 18" STORM SEWER
- 24" STORM SEWER
- 36" STORM SEWER
- 48" STORM SEWER OFFSITE
- DETENTION POND





POINT CONSULTING, LLC
 1440 W. BELLEVUE AVENUE, SUITE 100
 BELLEVUE, WASHINGTON 98005
 WWW.POINTCONSULTING.COM
 LANDSCAPE ARCHITECTURE
 LAND SURVEYING

PROJECT EXHIBITS

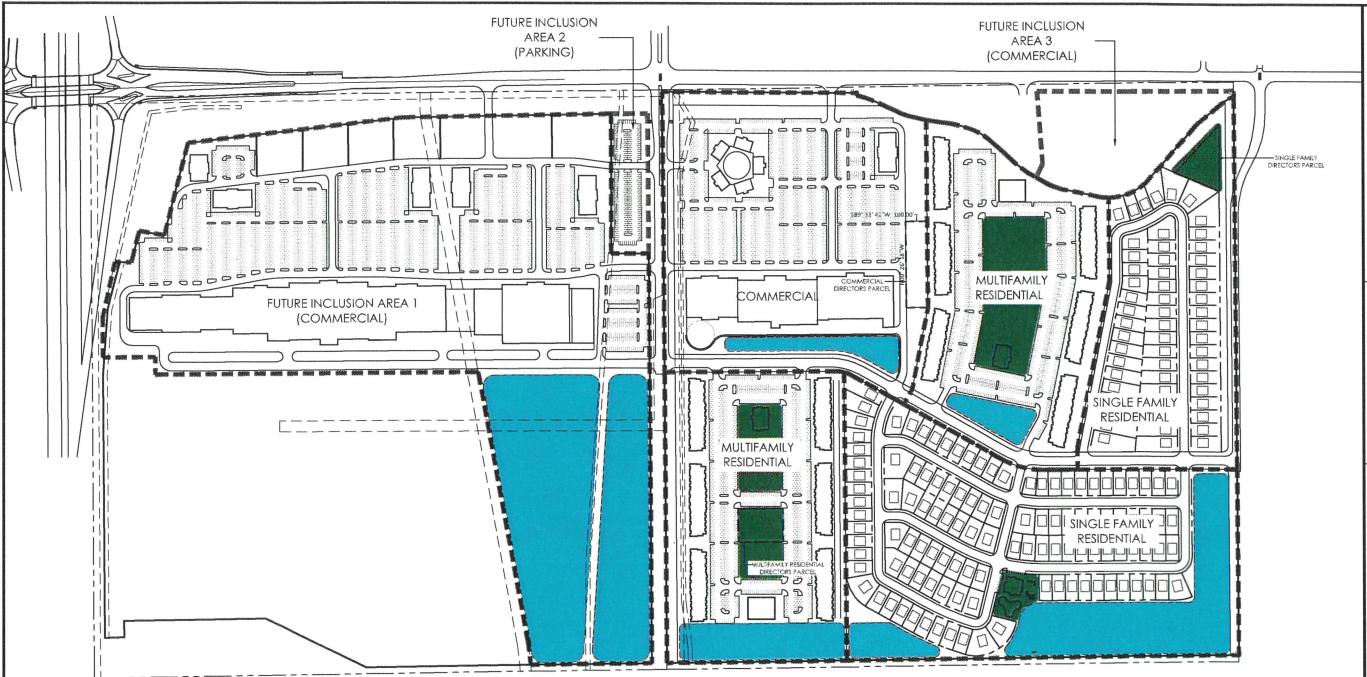
Ledge Rock Center

JOHNSTOWN, COLORADO

DATE: 05/01/2013
 DRAWN BY: JACOB ANDERSON
 CHECKED BY: JACOB ANDERSON
 PROJECT: LRC-13-001

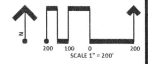
STORM SEWER JOB NO. 23-022


SHEET 4/5



NOTES
 1. DEPICTED FACILITIES ARE CONCEPTUAL AND MAY CHANGE AS DEVELOPMENT OCCURS.

LEGEND
 PARK FACILITIES
 OPEN SPACE PASSIVE RECREATION





POINT CONSULTING, LLC
 4450 W. WASHINGTON AVE.
 SUITE 100
 LITTLETON, CO 80120
 TEL: 303.440.8888
 WWW.POINTCONSULTING.COM
 CIVIL ENGINEERING
 LANDSCAPE ARCHITECTURE
 PLANNING
 AND SURVEYING

PROJECT EXHIBITS
Ledge Rock Center
 JOINTOWN, COLORADO

DATE: 08/03/2021
 DESCRIPTION: PRELIMINARY PLAN
 DRAWN BY: J. HARRIS
 CHECKED BY: J. HARRIS
 APPROVED BY: J. HARRIS

OPEN SPACE | JOB NO. 21-021 | SHEET 5/5

EXHIBIT F

Financial Plan

**Ledge Rock Center Residential Metropolitan District (Multi-Family)
Larimer County, Colorado**

~~~

**General Obligation Bonds, Series 2022A  
Subordinate Cash Flow Bonds, Series 2022B**

| <b>Bond Assumptions</b>             | <b>Series 2022A</b> | <b>Series 2022B</b> | <b>Total</b>     |
|-------------------------------------|---------------------|---------------------|------------------|
| Closing Date                        | 3/15/2022           | 3/15/2022           |                  |
| First Call Date                     | 3/1/2027            | 3/1/2027            |                  |
| Final Maturity                      | 12/1/2051           | 12/15/2051          |                  |
| Discharge Date                      | 12/1/2061           | 12/1/2061           |                  |
| <b>Sources of Funds</b>             |                     |                     |                  |
| Par Amount                          | 2,710,000           | 283,000             | 2,993,000        |
| <b>Total</b>                        | <b>2,710,000</b>    | <b>283,000</b>      | <b>2,993,000</b> |
| <b>Uses of Funds</b>                |                     |                     |                  |
| Project Fund                        | <b>1,523,077</b>    | <b>274,510</b>      | <b>1,797,587</b> |
| Capitalized Interest                | 385,723             | 0                   | 385,723          |
| Surplus Deposit                     | 247,000             | 0                   | 247,000          |
| Cost of Issuance                    | 554,200             | 8,490               | 562,690          |
| <b>Total</b>                        | <b>2,710,000</b>    | <b>283,000</b>      | <b>2,993,000</b> |
| <b>Debt Features</b>                |                     |                     |                  |
| Projected Coverage at Mill Levy Cap | 1.30x               | 1.00x               |                  |
| Tax Status                          | Tax-Exempt          | Tax-Exempt          |                  |
| Rating                              | Non-Rated           | Non-Rated           |                  |
| Average Coupon                      | 5.250%              | 8.250%              |                  |
| Annual Trustee Fee                  | \$4,000             | \$3,000             |                  |
| <b>Biennial Reassessment</b>        |                     |                     |                  |
| Residential                         | 2.00%               | 2.00%               |                  |
| <b>Tax Authority Assumptions</b>    |                     |                     |                  |
| Metropolitan District Revenue       |                     |                     |                  |
| Residential Assessment Ratio        |                     |                     |                  |
| Service Plan Gallagherization Base  | 7.15%               |                     |                  |
| Current Assumption                  | 7.15%               |                     |                  |
| Debt Service Mills                  |                     |                     |                  |
| Service Plan Mill Levy Cap          | 10.000              |                     |                  |
| Target Mill Levy                    | 10.000              |                     |                  |
| Specific Ownership Tax              | 6.00%               |                     |                  |
| County Treasurer Fee                | 2.00%               |                     |                  |
| Operations                          |                     |                     |                  |
| Mill Levy                           | 5.000               |                     |                  |

**Ledge Rock Center Residential Metropolitan District (Multi-Family)  
Development Summary**

| Statutory Actual Value (2021)       | Residential          |   |   |   |   |   |                      | Total |
|-------------------------------------|----------------------|---|---|---|---|---|----------------------|-------|
|                                     | Apartments           | - | - | - | - | - | -                    |       |
|                                     | \$300,000            | - | - | - | - | - | -                    |       |
| 2021                                | -                    | - | - | - | - | - | -                    |       |
| 2022                                | 168                  | - | - | - | - | - | 168                  |       |
| 2023                                | 168                  | - | - | - | - | - | 168                  |       |
| 2024                                | 168                  | - | - | - | - | - | 168                  |       |
| 2025                                | 168                  | - | - | - | - | - | 168                  |       |
| 2026                                | 168                  | - | - | - | - | - | 168                  |       |
| 2027                                | 168                  | - | - | - | - | - | 168                  |       |
| 2028                                | -                    | - | - | - | - | - | -                    |       |
| 2029                                | -                    | - | - | - | - | - | -                    |       |
| 2030                                | -                    | - | - | - | - | - | -                    |       |
| 2031                                | -                    | - | - | - | - | - | -                    |       |
| 2032                                | -                    | - | - | - | - | - | -                    |       |
| 2033                                | -                    | - | - | - | - | - | -                    |       |
| 2034                                | -                    | - | - | - | - | - | -                    |       |
| 2035                                | -                    | - | - | - | - | - | -                    |       |
| 2036                                | -                    | - | - | - | - | - | -                    |       |
| 2037                                | -                    | - | - | - | - | - | -                    |       |
| 2038                                | -                    | - | - | - | - | - | -                    |       |
| 2039                                | -                    | - | - | - | - | - | -                    |       |
| 2040                                | -                    | - | - | - | - | - | -                    |       |
| 2041                                | -                    | - | - | - | - | - | -                    |       |
| 2042                                | -                    | - | - | - | - | - | -                    |       |
| 2043                                | -                    | - | - | - | - | - | -                    |       |
| 2044                                | -                    | - | - | - | - | - | -                    |       |
| 2045                                | -                    | - | - | - | - | - | -                    |       |
| 2046                                | -                    | - | - | - | - | - | -                    |       |
| 2047                                | -                    | - | - | - | - | - | -                    |       |
| 2048                                | -                    | - | - | - | - | - | -                    |       |
| 2049                                | -                    | - | - | - | - | - | -                    |       |
| 2050                                | -                    | - | - | - | - | - | -                    |       |
| 2051                                | -                    | - | - | - | - | - | -                    |       |
| <b>Total Units</b>                  | <b>1,008</b>         | - | - | - | - | - | <b>1,008</b>         |       |
| <b>Total Statutory Actual Value</b> | <b>\$302,400,000</b> | - | - | - | - | - | <b>\$302,400,000</b> |       |

**Ledge Rock Center Residential Metropolitan District (Multi-Family)  
Assessed Value**

|              | Vacant and Improved Land                     |                                   | Residential                 |                       |                                 |                                   | Total                             |
|--------------|----------------------------------------------|-----------------------------------|-----------------------------|-----------------------|---------------------------------|-----------------------------------|-----------------------------------|
|              | Cumulative Statory Actual Value <sup>1</sup> | Assessed Value in Collection Year | Residential Units Delivered | Biennial Reassessment | Cumulative Statory Actual Value | Assessed Value in Collection Year | Assessed Value in Collection Year |
|              |                                              | 2 Year Lag<br>29.00%              |                             | 2.00%                 |                                 | 2 Year Lag<br>7.15%               | 2 Year Lag                        |
| 2021         | 5,040,000                                    | 0                                 | -                           | -                     | 0                               | 0                                 | 0                                 |
| 2022         | 5,040,000                                    | 0                                 | 168                         | -                     | 51,408,000                      | 0                                 | 0                                 |
| 2023         | 5,040,000                                    | 1,461,600                         | 168                         | -                     | 103,844,160                     | 0                                 | 1,461,600                         |
| 2024         | 5,040,000                                    | 1,461,600                         | 168                         | 2,076,883             | 159,405,926                     | 3,675,672                         | 5,137,272                         |
| 2025         | 5,040,000                                    | 1,461,600                         | 168                         | -                     | 213,960,507                     | 7,424,857                         | 8,886,457                         |
| 2026         | 5,040,000                                    | 1,461,600                         | 168                         | 4,279,210             | 273,885,390                     | 11,397,524                        | 12,859,124                        |
| 2027         | 0                                            | 1,461,600                         | 168                         | -                     | 330,643,976                     | 15,298,176                        | 16,759,776                        |
| 2028         | 0                                            | 1,461,600                         | -                           | 6,612,880             | 337,256,855                     | 19,582,805                        | 21,044,405                        |
| 2029         | 0                                            | 0                                 | -                           | -                     | 337,256,855                     | 23,641,044                        | 23,641,044                        |
| 2030         | 0                                            | 0                                 | -                           | 6,745,137             | 344,001,992                     | 24,113,865                        | 24,113,865                        |
| 2031         | 0                                            | 0                                 | -                           | -                     | 344,001,992                     | 24,113,865                        | 24,113,865                        |
| 2032         | 0                                            | 0                                 | -                           | 6,880,040             | 350,882,032                     | 24,596,142                        | 24,596,142                        |
| 2033         | 0                                            | 0                                 | -                           | -                     | 350,882,032                     | 24,596,142                        | 24,596,142                        |
| 2034         | 0                                            | 0                                 | -                           | 7,017,641             | 357,899,673                     | 25,088,065                        | 25,088,065                        |
| 2035         | 0                                            | 0                                 | -                           | -                     | 357,899,673                     | 25,088,065                        | 25,088,065                        |
| 2036         | 0                                            | 0                                 | -                           | 7,157,993             | 365,057,666                     | 25,589,827                        | 25,589,827                        |
| 2037         | 0                                            | 0                                 | -                           | -                     | 365,057,666                     | 25,589,827                        | 25,589,827                        |
| 2038         | 0                                            | 0                                 | -                           | 7,301,153             | 372,358,820                     | 26,101,623                        | 26,101,623                        |
| 2039         | 0                                            | 0                                 | -                           | -                     | 372,358,820                     | 26,101,623                        | 26,101,623                        |
| 2040         | 0                                            | 0                                 | -                           | 7,447,176             | 379,805,996                     | 26,623,656                        | 26,623,656                        |
| 2041         | 0                                            | 0                                 | -                           | -                     | 379,805,996                     | 26,623,656                        | 26,623,656                        |
| 2042         | 0                                            | 0                                 | -                           | 7,596,120             | 387,402,116                     | 27,156,129                        | 27,156,129                        |
| 2043         | 0                                            | 0                                 | -                           | -                     | 387,402,116                     | 27,156,129                        | 27,156,129                        |
| 2044         | 0                                            | 0                                 | -                           | 7,748,042             | 395,150,158                     | 27,699,251                        | 27,699,251                        |
| 2045         | 0                                            | 0                                 | -                           | -                     | 395,150,158                     | 27,699,251                        | 27,699,251                        |
| 2046         | 0                                            | 0                                 | -                           | 7,903,003             | 403,053,162                     | 28,253,236                        | 28,253,236                        |
| 2047         | 0                                            | 0                                 | -                           | -                     | 403,053,162                     | 28,253,236                        | 28,253,236                        |
| 2048         | 0                                            | 0                                 | -                           | 8,061,063             | 411,114,225                     | 28,818,301                        | 28,818,301                        |
| 2049         | 0                                            | 0                                 | -                           | -                     | 411,114,225                     | 28,818,301                        | 28,818,301                        |
| 2050         | 0                                            | 0                                 | -                           | 8,222,284             | 419,336,509                     | 29,394,667                        | 29,394,667                        |
| 2051         | 0                                            | 0                                 | -                           | -                     | 419,336,509                     | 29,394,667                        | 29,394,667                        |
| <b>Total</b> |                                              |                                   | <b>1,008</b>                |                       | <b>95,048,627</b>               |                                   |                                   |

1. Vacant land value calculated in year prior to construction as 10% build-out market value

**Ledge Rock Center Residential Metropolitan District (Multi-Family)  
Revenue**

|              | Total                             | District Mill Levy Revenue  |                            |                          | Expense              |                    | Total                              |
|--------------|-----------------------------------|-----------------------------|----------------------------|--------------------------|----------------------|--------------------|------------------------------------|
|              | Assessed Value in Collection Year | Debt Mill Levy              | Debt Mill Levy Collections | Specific Ownership Taxes | County Treasurer Fee | Annual Trustee Fee | Revenue Available for Debt Service |
|              |                                   | 10.000 Cap<br>10.000 Target | 99.50%                     | 6.00%                    | 2.00%                | \$7,000            |                                    |
| 2021         | 0                                 | 0.000                       | 0                          | 0                        | 0                    | 0                  | 0                                  |
| 2022         | 0                                 | 10.000                      | 0                          | 0                        | 0                    | 0                  | 0                                  |
| 2023         | 1,461,600                         | 10.000                      | 14,543                     | 873                      | (291)                | (7,000)            | 8,125                              |
| 2024         | 5,137,272                         | 10.000                      | 51,116                     | 3,067                    | (1,022)              | (7,000)            | 46,160                             |
| 2025         | 8,886,457                         | 10.000                      | 88,420                     | 5,305                    | (1,768)              | (7,000)            | 84,957                             |
| 2026         | 12,859,124                        | 10.000                      | 127,948                    | 7,677                    | (2,559)              | (7,000)            | 126,066                            |
| 2027         | 16,759,776                        | 10.000                      | 166,760                    | 10,006                   | (3,335)              | (7,000)            | 166,430                            |
| 2028         | 21,044,405                        | 10.000                      | 209,392                    | 12,564                   | (4,188)              | (7,000)            | 210,768                            |
| 2029         | 23,641,044                        | 10.000                      | 235,228                    | 14,114                   | (4,705)              | (7,000)            | 237,638                            |
| 2030         | 24,113,865                        | 10.000                      | 239,933                    | 14,396                   | (4,799)              | (7,000)            | 242,530                            |
| 2031         | 24,113,865                        | 10.000                      | 239,933                    | 14,396                   | (4,799)              | (7,000)            | 242,530                            |
| 2032         | 24,596,142                        | 10.000                      | 244,732                    | 14,684                   | (4,895)              | (7,000)            | 247,521                            |
| 2033         | 24,596,142                        | 10.000                      | 244,732                    | 14,684                   | (4,895)              | (7,000)            | 247,521                            |
| 2034         | 25,088,065                        | 10.000                      | 249,626                    | 14,978                   | (4,993)              | (7,000)            | 252,611                            |
| 2035         | 25,088,065                        | 10.000                      | 249,626                    | 14,978                   | (4,993)              | (7,000)            | 252,611                            |
| 2036         | 25,589,827                        | 10.000                      | 254,619                    | 15,277                   | (5,092)              | (7,000)            | 257,804                            |
| 2037         | 25,589,827                        | 10.000                      | 254,619                    | 15,277                   | (5,092)              | (7,000)            | 257,804                            |
| 2038         | 26,101,623                        | 10.000                      | 259,711                    | 15,583                   | (5,194)              | (7,000)            | 263,100                            |
| 2039         | 26,101,623                        | 10.000                      | 259,711                    | 15,583                   | (5,194)              | (7,000)            | 263,100                            |
| 2040         | 26,623,656                        | 10.000                      | 264,905                    | 15,894                   | (5,298)              | (7,000)            | 268,502                            |
| 2041         | 26,623,656                        | 10.000                      | 264,905                    | 15,894                   | (5,298)              | (7,000)            | 268,502                            |
| 2042         | 27,156,129                        | 10.000                      | 270,203                    | 16,212                   | (5,404)              | (7,000)            | 274,012                            |
| 2043         | 27,156,129                        | 10.000                      | 270,203                    | 16,212                   | (5,404)              | (7,000)            | 274,012                            |
| 2044         | 27,699,251                        | 10.000                      | 275,608                    | 16,536                   | (5,512)              | (7,000)            | 279,632                            |
| 2045         | 27,699,251                        | 10.000                      | 275,608                    | 16,536                   | (5,512)              | (7,000)            | 279,632                            |
| 2046         | 28,253,236                        | 10.000                      | 281,120                    | 16,867                   | (5,622)              | (7,000)            | 285,364                            |
| 2047         | 28,253,236                        | 10.000                      | 281,120                    | 16,867                   | (5,622)              | (7,000)            | 285,364                            |
| 2048         | 28,818,301                        | 10.000                      | 286,742                    | 17,205                   | (5,735)              | (7,000)            | 291,212                            |
| 2049         | 28,818,301                        | 10.000                      | 286,742                    | 17,205                   | (5,735)              | (7,000)            | 291,212                            |
| 2050         | 29,394,667                        | 10.000                      | 292,477                    | 17,549                   | (5,850)              | (7,000)            | 297,176                            |
| 2051         | 29,394,667                        | 10.000                      | 292,477                    | 17,549                   | (5,850)              | (7,000)            | 297,176                            |
| <b>Total</b> |                                   |                             | <b>6,732,759</b>           | <b>403,966</b>           | <b>(134,655)</b>     | <b>(203,000)</b>   | <b>6,799,069</b>                   |



**Ledge Rock Center Residential Metropolitan District (Multi-Family)  
Debt Service**

|              | Total<br>Revenue Available<br>for Debt Service | Net Debt Service                                                          | Surplus Fund     |                                                 |                  | Ratio Analysis           |                                  |
|--------------|------------------------------------------------|---------------------------------------------------------------------------|------------------|-------------------------------------------------|------------------|--------------------------|----------------------------------|
|              |                                                | Series 2022A<br>Dated: 3/15/2022<br>Par: \$2,710,000<br>Proj: \$1,523,077 | Annual Surplus   | Cumulative<br>Balance <sup>1</sup><br>\$542,000 | Released Revenue | Debt Service<br>Coverage | Senior Debt to<br>Assessed Value |
| 2021         |                                                |                                                                           |                  |                                                 |                  |                          |                                  |
| 2022         | 0                                              | 0                                                                         | 0                | 247,000                                         | 0                | n/a                      | n/a                              |
| 2023         | 8,125                                          | 0                                                                         | 8,125            | 255,125                                         | 0                | n/a                      | n/a                              |
| 2024         | 46,160                                         | 0                                                                         | 46,160           | 301,285                                         | 0                | n/a                      | 185%                             |
| 2025         | 84,957                                         | 142,275                                                                   | (57,318)         | 243,967                                         | 0                | 60%                      | 53%                              |
| 2026         | 126,066                                        | 142,275                                                                   | (16,209)         | 227,758                                         | 0                | 89%                      | 30%                              |
| 2027         | 166,430                                        | 142,275                                                                   | 24,155           | 251,914                                         | 0                | 117%                     | 21%                              |
| 2028         | 210,768                                        | 157,275                                                                   | 53,493           | 305,406                                         | 0                | 134%                     | 16%                              |
| 2029         | 237,638                                        | 181,488                                                                   | 56,150           | 361,556                                         | 0                | 131%                     | 13%                              |
| 2030         | 242,530                                        | 184,388                                                                   | 58,143           | 419,699                                         | 0                | 132%                     | 11%                              |
| 2031         | 242,530                                        | 182,025                                                                   | 60,505           | 480,204                                         | 0                | 133%                     | 11%                              |
| 2032         | 247,521                                        | 189,663                                                                   | 57,858           | 538,063                                         | 0                | 131%                     | 10%                              |
| 2033         | 247,521                                        | 186,775                                                                   | 60,746           | 542,000                                         | 56,808           | 133%                     | 10%                              |
| 2034         | 252,611                                        | 193,888                                                                   | 58,724           | 542,000                                         | 58,724           | 130%                     | 10%                              |
| 2035         | 252,611                                        | 190,475                                                                   | 62,136           | 542,000                                         | 62,136           | 133%                     | 9%                               |
| 2036         | 257,804                                        | 197,063                                                                   | 60,741           | 542,000                                         | 60,741           | 131%                     | 9%                               |
| 2037         | 257,804                                        | 193,125                                                                   | 64,679           | 542,000                                         | 64,679           | 133%                     | 8%                               |
| 2038         | 263,100                                        | 199,188                                                                   | 63,912           | 542,000                                         | 63,912           | 132%                     | 8%                               |
| 2039         | 263,100                                        | 199,725                                                                   | 63,375           | 542,000                                         | 63,375           | 132%                     | 8%                               |
| 2040         | 268,502                                        | 205,000                                                                   | 63,502           | 542,000                                         | 63,502           | 131%                     | 7%                               |
| 2041         | 268,502                                        | 204,750                                                                   | 63,752           | 542,000                                         | 63,752           | 131%                     | 7%                               |
| 2042         | 274,012                                        | 209,238                                                                   | 64,774           | 542,000                                         | 64,774           | 131%                     | 6%                               |
| 2043         | 274,012                                        | 208,200                                                                   | 65,812           | 542,000                                         | 65,812           | 132%                     | 6%                               |
| 2044         | 279,632                                        | 211,900                                                                   | 67,732           | 542,000                                         | 67,732           | 132%                     | 5%                               |
| 2045         | 279,632                                        | 210,075                                                                   | 69,557           | 542,000                                         | 69,557           | 133%                     | 5%                               |
| 2046         | 285,364                                        | 217,988                                                                   | 67,377           | 542,000                                         | 67,377           | 131%                     | 4%                               |
| 2047         | 285,364                                        | 215,113                                                                   | 70,252           | 542,000                                         | 70,252           | 133%                     | 4%                               |
| 2048         | 291,212                                        | 221,975                                                                   | 69,237           | 542,000                                         | 69,237           | 131%                     | 3%                               |
| 2049         | 291,212                                        | 223,050                                                                   | 68,162           | 542,000                                         | 68,162           | 131%                     | 2%                               |
| 2050         | 297,176                                        | 223,600                                                                   | 73,576           | 542,000                                         | 73,576           | 133%                     | 2%                               |
| 2051         | 297,176                                        | 473,625                                                                   | (176,449)        | 0                                               | 365,551          | 63%                      | 0%                               |
| <b>Total</b> | <b>6,799,069</b>                               | <b>5,506,413</b>                                                          | <b>1,292,657</b> | <b>13,387,977</b>                               | <b>1,539,657</b> |                          |                                  |

1. Assumes \$247,000 Deposit to Surplus Fund at Closing

**Ledge Rock Center Residential Metropolitan District (Multi-Family)  
Subordinate Debt Service**

|              | Revenue Available<br>for Debt Service | Interest Payment<br>8.250% | Balance of<br>Accrued Interest | Principal Payment | Principal Balance | Debt Service                                          |        | Released<br>Revenue |
|--------------|---------------------------------------|----------------------------|--------------------------------|-------------------|-------------------|-------------------------------------------------------|--------|---------------------|
|              |                                       |                            |                                |                   |                   | Series 2022B                                          |        |                     |
|              |                                       |                            |                                |                   |                   | Dated: 3/15/2022<br>Par: \$283,000<br>Proj: \$274,510 |        |                     |
|              |                                       |                            |                                |                   | 283,000           |                                                       |        |                     |
| 2022         | -                                     | -                          | 17,511                         | -                 | 283,000           | -                                                     | -      | -                   |
| 2023         | -                                     | -                          | 42,303                         | -                 | 283,000           | -                                                     | -      | -                   |
| 2024         | -                                     | -                          | 69,140                         | -                 | 283,000           | -                                                     | -      | -                   |
| 2025         | -                                     | -                          | 98,192                         | -                 | 283,000           | -                                                     | -      | -                   |
| 2026         | -                                     | -                          | 129,640                        | -                 | 283,000           | -                                                     | -      | -                   |
| 2027         | -                                     | -                          | 163,683                        | -                 | 283,000           | -                                                     | -      | -                   |
| 2028         | -                                     | -                          | 200,534                        | -                 | 283,000           | -                                                     | -      | -                   |
| 2029         | -                                     | -                          | 240,426                        | -                 | 283,000           | -                                                     | -      | -                   |
| 2030         | -                                     | -                          | 283,608                        | -                 | 283,000           | -                                                     | -      | -                   |
| 2031         | -                                     | -                          | 330,354                        | -                 | 283,000           | -                                                     | -      | -                   |
| 2032         | -                                     | -                          | 380,955                        | -                 | 283,000           | -                                                     | -      | -                   |
| 2033         | 56,808                                | 56,808                     | 378,923                        | -                 | 283,000           | 56,808                                                | -      | -                   |
| 2034         | 58,724                                | 58,724                     | 374,808                        | -                 | 283,000           | 58,724                                                | -      | -                   |
| 2035         | 62,136                                | 62,136                     | 366,941                        | -                 | 283,000           | 62,136                                                | -      | -                   |
| 2036         | 60,741                                | 60,741                     | 359,820                        | -                 | 283,000           | 60,741                                                | -      | -                   |
| 2037         | 64,679                                | 64,679                     | 348,174                        | -                 | 283,000           | 64,679                                                | -      | -                   |
| 2038         | 63,912                                | 63,912                     | 336,334                        | -                 | 283,000           | 63,912                                                | -      | -                   |
| 2039         | 63,375                                | 63,375                     | 324,054                        | -                 | 283,000           | 63,375                                                | -      | -                   |
| 2040         | 63,502                                | 63,502                     | 310,635                        | -                 | 283,000           | 63,502                                                | -      | -                   |
| 2041         | 63,752                                | 63,752                     | 295,858                        | -                 | 283,000           | 63,752                                                | -      | -                   |
| 2042         | 64,774                                | 64,774                     | 278,840                        | -                 | 283,000           | 64,774                                                | -      | -                   |
| 2043         | 65,812                                | 65,812                     | 259,380                        | -                 | 283,000           | 65,812                                                | -      | -                   |
| 2044         | 67,732                                | 67,732                     | 236,395                        | -                 | 283,000           | 67,732                                                | -      | -                   |
| 2045         | 69,557                                | 69,557                     | 209,688                        | -                 | 283,000           | 69,557                                                | -      | -                   |
| 2046         | 67,377                                | 67,377                     | 182,957                        | -                 | 283,000           | 67,377                                                | -      | -                   |
| 2047         | 70,252                                | 70,252                     | 151,147                        | -                 | 283,000           | 70,252                                                | -      | -                   |
| 2048         | 69,237                                | 69,237                     | 117,727                        | -                 | 283,000           | 69,237                                                | -      | -                   |
| 2049         | 68,162                                | 68,162                     | 82,626                         | -                 | 283,000           | 68,162                                                | -      | -                   |
| 2050         | 73,576                                | 73,576                     | 39,214                         | -                 | 283,000           | 73,576                                                | -      | -                   |
| 2051         | 365,551                               | 65,796                     | -                              | 283,000           | -                 | 348,796                                               | 16,755 | -                   |
| <b>Total</b> | <b>1,539,657</b>                      | <b>1,239,902</b>           |                                | <b>283,000</b>    |                   | <b>1,522,902</b>                                      |        | <b>16,755</b>       |

**Ledge Rock Center Residential Metropolitan District (Multi-Family)  
Revenue**

|              | Total                             | Operations Mill Levy Revenue               |                                     |                                   | Expense                       | Total                            |
|--------------|-----------------------------------|--------------------------------------------|-------------------------------------|-----------------------------------|-------------------------------|----------------------------------|
|              | Assessed Value in Collection Year | O&M Mill Levy<br>5.000 Cap<br>5.000 Target | O&M Mill Levy Collections<br>99.50% | Specific Ownership Taxes<br>6.00% | County Treasurer Fee<br>2.00% | Revenue Available for Operations |
| 2021         | 0                                 | 0.000                                      | 0                                   | 0                                 | 0                             | 0                                |
| 2022         | 0                                 | 5.000                                      | 0                                   | 0                                 | 0                             | 0                                |
| 2023         | 1,461,600                         | 5.000                                      | 7,308                               | 436                               | (146)                         | 7,598                            |
| 2024         | 5,137,272                         | 5.000                                      | 25,686                              | 1,533                             | (514)                         | 26,706                           |
| 2025         | 8,886,457                         | 5.000                                      | 44,432                              | 2,653                             | (889)                         | 46,196                           |
| 2026         | 12,859,124                        | 5.000                                      | 64,296                              | 3,838                             | (1,286)                       | 66,848                           |
| 2027         | 16,759,776                        | 5.000                                      | 83,799                              | 5,003                             | (1,676)                       | 87,126                           |
| 2028         | 21,044,405                        | 5.000                                      | 105,222                             | 6,282                             | (2,104)                       | 109,399                          |
| 2029         | 23,641,044                        | 5.000                                      | 118,205                             | 7,057                             | (2,364)                       | 122,898                          |
| 2030         | 24,113,865                        | 5.000                                      | 120,569                             | 7,198                             | (2,411)                       | 125,356                          |
| 2031         | 24,113,865                        | 5.000                                      | 120,569                             | 7,198                             | (2,411)                       | 125,356                          |
| 2032         | 24,596,142                        | 5.000                                      | 122,981                             | 7,342                             | (2,460)                       | 127,863                          |
| 2033         | 24,596,142                        | 5.000                                      | 122,981                             | 7,342                             | (2,460)                       | 127,863                          |
| 2034         | 25,088,065                        | 5.000                                      | 125,440                             | 7,489                             | (2,509)                       | 130,420                          |
| 2035         | 25,088,065                        | 5.000                                      | 125,440                             | 7,489                             | (2,509)                       | 130,420                          |
| 2036         | 25,589,827                        | 5.000                                      | 127,949                             | 7,639                             | (2,559)                       | 133,029                          |
| 2037         | 25,589,827                        | 5.000                                      | 127,949                             | 7,639                             | (2,559)                       | 133,029                          |
| 2038         | 26,101,623                        | 5.000                                      | 130,508                             | 7,791                             | (2,610)                       | 135,689                          |
| 2039         | 26,101,623                        | 5.000                                      | 130,508                             | 7,791                             | (2,610)                       | 135,689                          |
| 2040         | 26,623,656                        | 5.000                                      | 133,118                             | 7,947                             | (2,662)                       | 138,403                          |
| 2041         | 26,623,656                        | 5.000                                      | 133,118                             | 7,947                             | (2,662)                       | 138,403                          |
| 2042         | 27,156,129                        | 5.000                                      | 135,781                             | 8,106                             | (2,716)                       | 141,171                          |
| 2043         | 27,156,129                        | 5.000                                      | 135,781                             | 8,106                             | (2,716)                       | 141,171                          |
| 2044         | 27,699,251                        | 5.000                                      | 138,496                             | 8,268                             | (2,770)                       | 143,995                          |
| 2045         | 27,699,251                        | 5.000                                      | 138,496                             | 8,268                             | (2,770)                       | 143,995                          |
| 2046         | 28,253,236                        | 5.000                                      | 141,266                             | 8,434                             | (2,825)                       | 146,874                          |
| 2047         | 28,253,236                        | 5.000                                      | 141,266                             | 8,434                             | (2,825)                       | 146,874                          |
| 2048         | 28,818,301                        | 5.000                                      | 144,092                             | 8,602                             | (2,882)                       | 149,812                          |
| 2049         | 28,818,301                        | 5.000                                      | 144,092                             | 8,602                             | (2,882)                       | 149,812                          |
| 2050         | 29,394,667                        | 5.000                                      | 146,973                             | 8,774                             | (2,939)                       | 152,808                          |
| 2051         | 29,394,667                        | 5.000                                      | 146,973                             | 8,774                             | (2,939)                       | 152,808                          |
| <b>Total</b> |                                   |                                            | <b>3,383,296</b>                    | <b>201,983</b>                    | <b>(67,666)</b>               | <b>3,517,613</b>                 |

**SOURCES AND USES OF FUNDS**

**LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT (MULTI-FAMILY)  
Larimer County, Colorado**

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**GENERAL OBLIGATION BONDS, SERIES 2022A
SUBORDINATE CASH FLOW BONDS, SERIES 2022B**

Dated Date 03/15/2022
Delivery Date 03/15/2022

Sources:	Series 2022A	Series 2022B	Total
Bond Proceeds:			
Par Amount	2,710,000.00	283,000.00	2,993,000.00
	<u>2,710,000.00</u>	<u>283,000.00</u>	<u>2,993,000.00</u>
Uses:	Series 2022A	Series 2022B	Total
Project Fund Deposits:			
Project Fund	1,523,076.67	274,510.00	1,797,586.67
Other Fund Deposits:			
Capitalized Interest Fund	385,723.33		385,723.33
Surplus Deposit	247,000.00		247,000.00
	<u>632,723.33</u>		<u>632,723.33</u>
Cost of Issuance:			
Other Cost of Issuance	500,000.00		500,000.00
Delivery Date Expenses:			
Underwriter's Discount	54,200.00	8,490.00	62,690.00
	<u>2,710,000.00</u>	<u>283,000.00</u>	<u>2,993,000.00</u>

BOND SUMMARY STATISTICS

LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT (MULTI-FAMILY) Larimer County, Colorado

~~~ GENERAL OBLIGATION BONDS, SERIES 2022A 10.000 Debt Service Mills Non-Rated, 1.30x, 30-yr. Maturity

Dated Date	03/15/2022
Delivery Date	03/15/2022
Last Maturity	12/01/2051
Arbitrage Yield	5.250645%
True Interest Cost (TIC)	5.410350%
Net Interest Cost (NIC)	5.339421%
All-In TIC	7.154795%
Average Coupon	5.250000%
Average Life (years)	22.366
Duration of Issue (years)	12.931
Par Amount	2,710,000.00
Bond Proceeds	2,710,000.00
Total Interest	3,182,135.83
Net Interest	3,236,335.83
Total Debt Service	5,892,135.83
Maximum Annual Debt Service	473,625.00
Average Annual Debt Service	198,314.22
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	98.000000

<i>Bond Component</i>	<i>Par Value</i>	<i>Price</i>	<i>Average Coupon</i>	<i>Average Life</i>
Term Bond due 2051	2,710,000.00	100.000	5.250%	22.366
	2,710,000.00			22.366

	TIC	All-In TIC	Arbitrage Yield
Par Value	2,710,000.00	2,710,000.00	2,710,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	(54,200.00)	(54,200.00)	
- Cost of Issuance Expense		(500,000.00)	
- Other Amounts			
Target Value	2,655,800.00	2,155,800.00	2,710,000.00
Target Date	03/15/2022	03/15/2022	03/15/2022
Yield	5.410350%	7.154795%	5.250645%

NET DEBT SERVICE

LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT (MULTI-FAMILY)

Larimer County, Colorado

~~~

**GENERAL OBLIGATION BONDS, SERIES 2022A**

10.000 Debt Service Mills

Non-Rated, 1.30x, 30-yr. Maturity

| <i>Period<br/>Ending</i> | <i>Principal</i> | <i>Coupon</i> | <i>Interest</i> | <i>Total<br/>Debt Service</i> | <i>Capitalized<br/>Interest Fund</i> | <i>Net<br/>Debt Service</i> |
|--------------------------|------------------|---------------|-----------------|-------------------------------|--------------------------------------|-----------------------------|
| 12/01/2022               |                  |               | 101,173.33      | 101,173.33                    | 101,173.33                           |                             |
| 12/01/2023               |                  |               | 142,275.00      | 142,275.00                    | 142,275.00                           |                             |
| 12/01/2024               |                  |               | 142,275.00      | 142,275.00                    | 142,275.00                           |                             |
| 12/01/2025               |                  |               | 142,275.00      | 142,275.00                    |                                      | 142,275.00                  |
| 12/01/2026               |                  |               | 142,275.00      | 142,275.00                    |                                      | 142,275.00                  |
| 12/01/2027               |                  |               | 142,275.00      | 142,275.00                    |                                      | 142,275.00                  |
| 12/01/2028               | 15,000           | 5.250%        | 142,275.00      | 157,275.00                    |                                      | 157,275.00                  |
| 12/01/2029               | 40,000           | 5.250%        | 141,487.50      | 181,487.50                    |                                      | 181,487.50                  |
| 12/01/2030               | 45,000           | 5.250%        | 139,387.50      | 184,387.50                    |                                      | 184,387.50                  |
| 12/01/2031               | 45,000           | 5.250%        | 137,025.00      | 182,025.00                    |                                      | 182,025.00                  |
| 12/01/2032               | 55,000           | 5.250%        | 134,662.50      | 189,662.50                    |                                      | 189,662.50                  |
| 12/01/2033               | 55,000           | 5.250%        | 131,775.00      | 186,775.00                    |                                      | 186,775.00                  |
| 12/01/2034               | 65,000           | 5.250%        | 128,887.50      | 193,887.50                    |                                      | 193,887.50                  |
| 12/01/2035               | 65,000           | 5.250%        | 125,475.00      | 190,475.00                    |                                      | 190,475.00                  |
| 12/01/2036               | 75,000           | 5.250%        | 122,062.50      | 197,062.50                    |                                      | 197,062.50                  |
| 12/01/2037               | 75,000           | 5.250%        | 118,125.00      | 193,125.00                    |                                      | 193,125.00                  |
| 12/01/2038               | 85,000           | 5.250%        | 114,187.50      | 199,187.50                    |                                      | 199,187.50                  |
| 12/01/2039               | 90,000           | 5.250%        | 109,725.00      | 199,725.00                    |                                      | 199,725.00                  |
| 12/01/2040               | 100,000          | 5.250%        | 105,000.00      | 205,000.00                    |                                      | 205,000.00                  |
| 12/01/2041               | 105,000          | 5.250%        | 99,750.00       | 204,750.00                    |                                      | 204,750.00                  |
| 12/01/2042               | 115,000          | 5.250%        | 94,237.50       | 209,237.50                    |                                      | 209,237.50                  |
| 12/01/2043               | 120,000          | 5.250%        | 88,200.00       | 208,200.00                    |                                      | 208,200.00                  |
| 12/01/2044               | 130,000          | 5.250%        | 81,900.00       | 211,900.00                    |                                      | 211,900.00                  |
| 12/01/2045               | 135,000          | 5.250%        | 75,075.00       | 210,075.00                    |                                      | 210,075.00                  |
| 12/01/2046               | 150,000          | 5.250%        | 67,987.50       | 217,987.50                    |                                      | 217,987.50                  |
| 12/01/2047               | 155,000          | 5.250%        | 60,112.50       | 215,112.50                    |                                      | 215,112.50                  |
| 12/01/2048               | 170,000          | 5.250%        | 51,975.00       | 221,975.00                    |                                      | 221,975.00                  |
| 12/01/2049               | 180,000          | 5.250%        | 43,050.00       | 223,050.00                    |                                      | 223,050.00                  |
| 12/01/2050               | 190,000          | 5.250%        | 33,600.00       | 223,600.00                    |                                      | 223,600.00                  |
| 12/01/2051               | 450,000          | 5.250%        | 23,625.00       | 473,625.00                    |                                      | 473,625.00                  |
|                          | 2,710,000        |               | 3,182,135.83    | 5,892,135.83                  | 385,723.33                           | 5,506,412.50                |

## BOND SOLUTION

### LEDGE ROCK CENTER RESIDENTIAL METROPOLITAN DISTRICT (MULTI-FAMILY) Larimer County, Colorado

#### ~~~ GENERAL OBLIGATION BONDS, SERIES 2022A 10.000 Debt Service Mills Non-Rated, 1.30x, 30-yr. Maturity

| <i>Period<br/>Ending</i> | <i>Proposed<br/>Principal</i> | <i>Proposed<br/>Debt Service</i> | <i>CAPI &amp; DSRF<br/>Adjustments</i> | <i>Total Adj<br/>Debt Service</i> | <i>Revenue<br/>Constraints</i> | <i>Unused<br/>Revenues</i> | <i>Debt Serv<br/>Coverage</i> |
|--------------------------|-------------------------------|----------------------------------|----------------------------------------|-----------------------------------|--------------------------------|----------------------------|-------------------------------|
| 12/01/2022               |                               | 101,173                          | (101,173)                              |                                   |                                |                            |                               |
| 12/01/2023               |                               | 142,275                          | (142,275)                              |                                   | 8,125                          | 8,125                      |                               |
| 12/01/2024               |                               | 142,275                          | (142,275)                              |                                   | 46,160                         | 46,160                     |                               |
| 12/01/2025               |                               | 142,275                          |                                        | 142,275                           | 84,957                         | (57,318)                   | 59.71327%                     |
| 12/01/2026               |                               | 142,275                          |                                        | 142,275                           | 126,066                        | (16,209)                   | 88.60742%                     |
| 12/01/2027               |                               | 142,275                          |                                        | 142,275                           | 166,430                        | 24,155                     | 116.97780%                    |
| 12/01/2028               | 15,000                        | 157,275                          |                                        | 157,275                           | 210,768                        | 53,493                     | 134.01209%                    |
| 12/01/2029               | 40,000                        | 181,488                          |                                        | 181,488                           | 237,638                        | 56,150                     | 130.93879%                    |
| 12/01/2030               | 45,000                        | 184,388                          |                                        | 184,388                           | 242,530                        | 58,143                     | 131.53293%                    |
| 12/01/2031               | 45,000                        | 182,025                          |                                        | 182,025                           | 242,530                        | 60,505                     | 133.24009%                    |
| 12/01/2032               | 55,000                        | 189,663                          |                                        | 189,663                           | 247,521                        | 57,858                     | 130.50597%                    |
| 12/01/2033               | 55,000                        | 186,775                          |                                        | 186,775                           | 247,521                        | 60,746                     | 132.52356%                    |
| 12/01/2034               | 65,000                        | 193,888                          |                                        | 193,888                           | 252,611                        | 58,724                     | 130.28756%                    |
| 12/01/2035               | 65,000                        | 190,475                          |                                        | 190,475                           | 252,611                        | 62,136                     | 132.62176%                    |
| 12/01/2036               | 75,000                        | 197,063                          |                                        | 197,063                           | 257,804                        | 60,741                     | 130.82323%                    |
| 12/01/2037               | 75,000                        | 193,125                          |                                        | 193,125                           | 257,804                        | 64,679                     | 133.49050%                    |
| 12/01/2038               | 85,000                        | 199,188                          |                                        | 199,188                           | 263,100                        | 63,912                     | 132.08640%                    |
| 12/01/2039               | 90,000                        | 199,725                          |                                        | 199,725                           | 263,100                        | 63,375                     | 131.73093%                    |
| 12/01/2040               | 100,000                       | 205,000                          |                                        | 205,000                           | 268,502                        | 63,502                     | 130.97639%                    |
| 12/01/2041               | 105,000                       | 204,750                          |                                        | 204,750                           | 268,502                        | 63,752                     | 131.13631%                    |
| 12/01/2042               | 115,000                       | 209,238                          |                                        | 209,238                           | 274,012                        | 64,774                     | 130.95722%                    |
| 12/01/2043               | 120,000                       | 208,200                          |                                        | 208,200                           | 274,012                        | 65,812                     | 131.60981%                    |
| 12/01/2044               | 130,000                       | 211,900                          |                                        | 211,900                           | 279,632                        | 67,732                     | 131.96406%                    |
| 12/01/2045               | 135,000                       | 210,075                          |                                        | 210,075                           | 279,632                        | 69,557                     | 133.11048%                    |
| 12/01/2046               | 150,000                       | 217,988                          |                                        | 217,988                           | 285,364                        | 67,377                     | 130.90865%                    |
| 12/01/2047               | 155,000                       | 215,113                          |                                        | 215,113                           | 285,364                        | 70,252                     | 132.65826%                    |
| 12/01/2048               | 170,000                       | 221,975                          |                                        | 221,975                           | 291,212                        | 69,237                     | 131.19125%                    |
| 12/01/2049               | 180,000                       | 223,050                          |                                        | 223,050                           | 291,212                        | 68,162                     | 130.55897%                    |
| 12/01/2050               | 190,000                       | 223,600                          |                                        | 223,600                           | 297,176                        | 73,576                     | 132.90519%                    |
| 12/01/2051               | 450,000                       | 473,625                          |                                        | 473,625                           | 297,176                        | (176,449)                  | 62.74500%                     |
|                          | 2,710,000                     | 5,892,136                        | (385,723)                              | 5,506,413                         | 6,799,069                      | 1,292,657                  |                               |

**EXHIBIT G**

Form of District Disclosure Notice



**EXHIBIT G**  
**Disclosure Notice**

SPECIAL DISTRICT PUBLIC DISCLOSURE  
Pursuant to § 32-1-104.8 C.R.S.

|                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the District:                 | Ledge Rock Residential Metropolitan District No. 1 (“District”)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Contact Information for the District: | Ledge Rock Residential Metropolitan District No. 1<br>c/o Pinnacle Consulting Group, Inc.<br>550 W. Eisenhower Blvd., Loveland, CO 80537                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Powers of the District:               | <p>All powers authorized in § 32-1-1004, C.R.S., including, but not limited to, mosquito control, parks or recreational facilities or programs, traffic and safety controls, sanitation services, street improvements, and water services, subject to the limitations contained in the District’s Service Plan regarding the exercise of such powers.</p> <p>The District’s Service Plan specifically limits the District’s authority to exercise the following powers without an intergovernmental agreement with the Town of Johnstown: fire protection, ambulance and emergency services, television relay and translator facilities, telecommunication and solid waste collection, and transportation services.</p>                                                                             |
| Service Plan:                         | The District’s Service Plan, which may be amended from time to time, includes a description of the District’s powers and authority. A copy of the District’s Service Plan is available from the District and from the Division of Local Government.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Financial Powers of the District:     | The District is authorized by Title 32 of the Colorado Revised Statutes to use a number of methods to raise revenues for capital needs and general operations costs. These methods, subject to the limitations imposed by Section 20 of Article X of the Colorado Constitution, include issuing debt, levying taxes, and imposing fees and charges. Information concerning directors, management, meetings, elections and current taxes are provided annually in the Notice to Electors described § 32-1-809(1), C.R.S., which may be found at the District’s office, on the District’s web site, on file at the Division of Local Government in the State Department of Local Affairs, or on file at the office of the clerk and recorder of each county in which the special district is located. |
| District Boundaries:                  | A map of the District’s boundaries is attached hereto as <u>Exhibit A</u> . Please note that the District’s boundaries may change from time to time. Please contact the District for the latest information.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

|                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>District Taxes and Fees:</p> | <p>The District has authority to impose property taxes for the construction, operation, and maintenance of the improvements identified in the Service Plan. The District has the authority to issue debt and, in order to pay debt and for operations and maintenance costs, the District may impose a Debt Mill Levy and an Operations and Maintenance Mill Levy, and collect property taxes on properties within the District. The District may also establish a one-time Development Fee that may be imposed on a per-unit basis for residential property or a per-square foot basis for non-residential property, and may impose other fees and charges. The Service Plan establishes a Maximum Residential Debt Mill Levy and a maximum Operations and Maintenance Mill Levy. The District has the authority to exceed these mill levy caps as provided in the Service Plan. The District's taxes are in addition to other property taxes imposed and collected by other governments such as the Town of Johnstown, Weld County, and other jurisdictions. Below are samples of potential property taxes of the District, based on assumed mill levies. Actual mill levies and property taxes in any year may be higher or lower.</p> |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**LEDGE ROCK CENTER RESIDENTIAL  
METROPOLITAN DISTRICT NO. 1  
PROPERTY TAX ILLUSTRATION**

The following is a sample calculation of the property taxes that will be imposed by and paid solely to the District. This calculation does not include the property taxes that will be due and owing to other public taxing entities, such as to the Town of Johnstown, the Weld County Reorganized School District RE-5J or the Thompson School District R2-J and the Thompson Rivers Parks and Recreation District.

Sample Calculation of Property Tax for a Residential Property based on the Residential Mill Levy Cap:

**Assumptions:**

Market value of residence is \$400,000

Mill levy cap is 50 mills \*

**Calculation:**

$\$400,000 \times .0715 = \$28,600$  (Assessed Valuation)

$\$28,600 \times .050$  mills = **\$1,440 per year in taxes owed solely to the District**

\* Per the Service Plan, the District is entitled to adjust the mill levy cap under certain circumstances, without a corresponding increase in the amount of taxes due and owing. For example, if the assessed valuation ratio for residential property is reduced below .0715, the District is entitled to increase the mill levy to recover the same amount of taxes that would have been paid based on the assessed valuation ratio on the date of approval of the Service Plan.

## **EXHIBIT H**

### Part I – Developer Indemnity Letter

**EXHIBIT H**  
Part I – Developer Indemnity Letter

September 8, 2021

Town of Johnstown  
450 S. Parish Avenue  
Johnstown, CO 80534

**RE: Ledge Rock Center Commercial Metropolitan District, Ledge Rock Center Residential Metropolitan District No. 1, Ledge Rock Center Residential Metropolitan District No. 2**

To the Town Council:

This Indemnification Letter (the “Letter”) is delivered by the undersigned (the “Developer”) in connection with the review by the Town of Johnstown (the “Town”) of the Service Plan, including all amendments heretofore or hereafter made thereto (the “Service Plan”) for the Ledge Rock Center Commercial Metropolitan District (the “District”). Developer, for and on behalf of itself and its transferees, successors and assigns, represents, warrants, covenants and agrees to and for the benefit of the Town as follows:

1. Developer hereby waives and releases any present or future claims it might have against the Town or the Town’s elected or appointed officers, employees, agents, contractors or insurers (the “Released Persons”) in any manner related to or connected with the adoption of a Resolution of Approval regarding the Town’s approval of the District’s Service Plan or any action or omission with respect thereto. Developer further hereby agrees to indemnify and hold harmless the Released Persons from and against any and all liabilities costs and expenses (including reasonable attorneys’ fees and expenses and court costs) resulting from any and all claims, demands, suits, actions or other proceedings of whatsoever kind or nature made or brought by any end user, property owner or other person or third party which directly or indirectly or purportedly arise out of or are in any manner related to or connected with any of the following: (a) the Service Plan or any document or instrument contained or referred to therein; or (b) the formation of the District; or (c) any actions or omissions of the Developer or the District, or their agents, in connection with the District, including, without limitation, any actions or omissions of the Developer or District, or their agents, in relation to any bonds or other financial obligations of the District or any offering documents or other disclosures made in connection therewith.

2. This Letter has been duly authorized and executed on behalf of Developer.

Very truly yours,

DEVELOPER:  
LEDGE ROCK CENTER, LLC

By: Michael S. Schuyler  
Title: Member

Part II - District Indemnity Letter

Part II - District Indemnity Letter

{date – date of organizational meeting}

Town of Johnstown  
450 S. Parish Avenue  
Johnstown, CO 80534

**RE: Ledge Rock Center Residential Metropolitan District No. 1**

To the Town Council:

This Indemnification Letter (the “Letter”) is delivered by Ledge Rock Center Residential Metropolitan District No. 1 (the “District”) in order to comply with the Service Plan, including all amendments heretofore or hereafter made thereto (the “Service Plan”) for the District. The District, for and on behalf of itself and its transferees, successors and assigns, covenant and agree to and for the benefit of the Town as follows:

1. The District hereby waives and release any present or future claims they might have against the Town or the Town’s elected or appointed officers, employees, agents, contractors or insurers (the “Released Persons”) in any manner related to or connected with the adoption of a Resolution of Approval of the Town of the District’s Service Plan or any action or omission with respect thereto. To the fullest extent permitted by law, the District hereby agree to indemnify and hold harmless the Released Persons from and against any and all liabilities costs and expenses (including reasonable attorneys’ fees and expenses and court costs) resulting from any and all claims, demands, suits, actions or other proceedings of whatsoever kind or nature made or brought by any end user, property owner or other person which directly or indirectly or purportedly arise out of or are in any manner related to or connected with any of the following: (a) the Service Plan or any document or instrument contained or referred to therein; or (b) the formation of the District; or (c) any actions or omissions of Ledge Rock Center, LLC (the “Developer”), or its agents, in connection with the formation and organization of the District, including, without limitation, any actions or omissions of the District or Developer, or their agents, in relation to any bonds or other financial obligations of the District or any offering documents or other disclosures made in connection therewith, including any claims disputing the validity of the Service Plan and said Resolution of Approval of the Town.

2. It is understood and agreed that neither the District nor the Town waive or intend to waive the monetary limits or any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, § 24-10-101, *et seq.*, C.R.S., as from time to time amended, or any other defenses, immunities, or limitations of liability otherwise available to the Town, the District, its officers, or its employees by law.

3. This Letter has been duly authorized and executed on behalf of the District.

Very truly yours,

LEDGE ROCK CENTER RESIDENTIAL  
METROPOLITAN DISTRICT NO. 1

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

Attest:

\_\_\_\_\_  
Secretary