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D.A. DAVIDSON & CO.
SPECIAL DISTRICT GROUP



LEDGE ROCK CENTER RESIDENTIAL
METROPOLITAN DISTRICT
SUMMARY OF THE PROPOSED FIRST AMENDMENT TO THE
AMENDED AND RESTATED SERVICE PLAN

Kyle Thomas

Managing Director, Special District Group
+1 303 764-6041
kbthomas@dadco.com

Proposed First Amendment to the Amended and Restated Service Plan Ledge Rock Center Residential Metropolitan District No. 1 and No. 2



Overview of Proposed Amendment

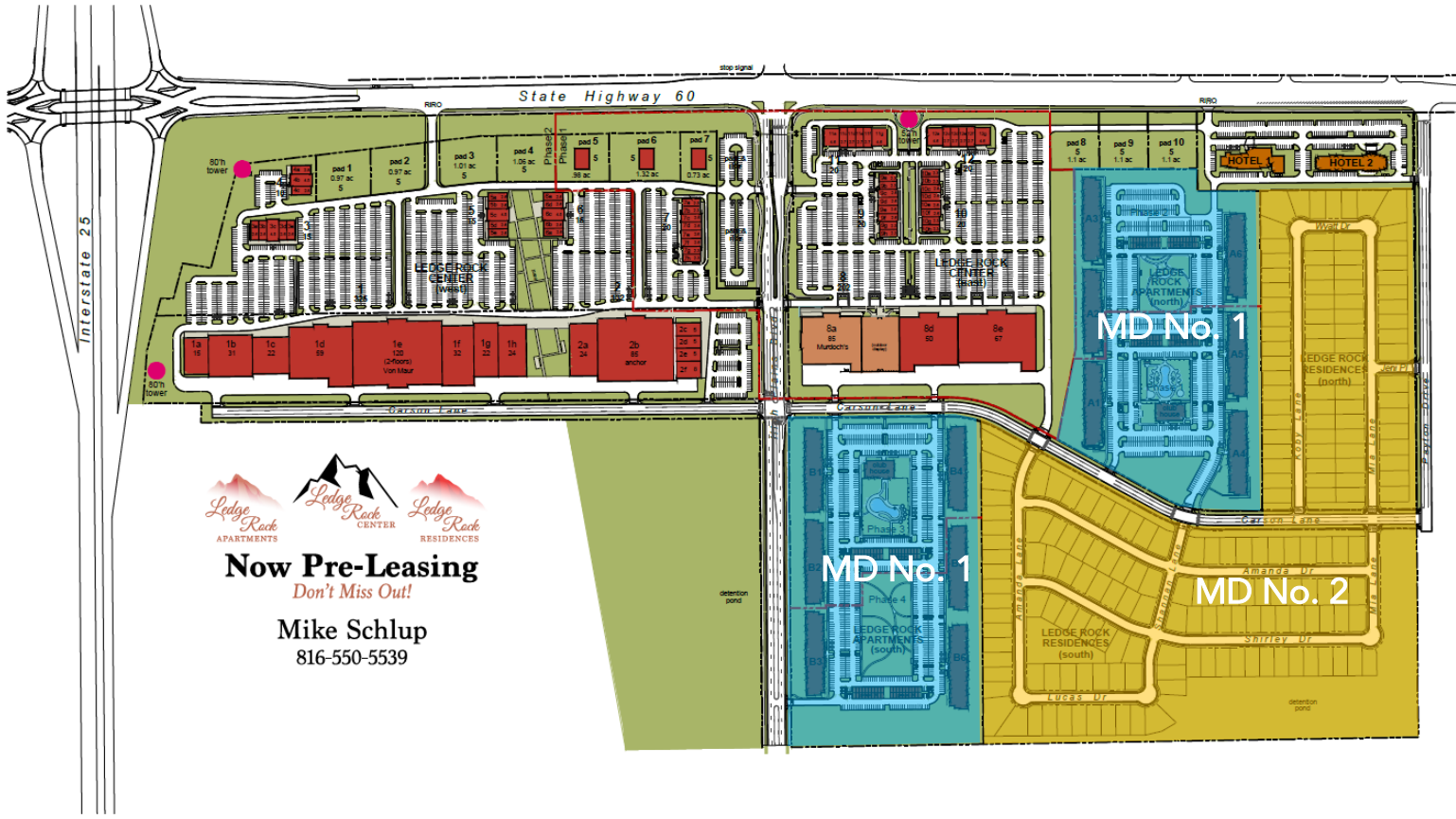
- The proposed First Amendment to the Amended and Restated Service Plan for the Ledge Rock Center Residential Metropolitan District No. 1 (the “District”) encompasses the land generally located south of Highway 60/County Road 48 and east of Interstate I-25. The proposed service area includes approximately 50.251 acres of residential land in its proposed boundaries and is anticipated to be include the multi-family portion of the Ledge Rock Center project upon final development.
- The proposed Ledge Rock Center Residential Metropolitan District No. 2 (the “District”) encompasses the land generally located south of Highway 60/County Road 48 and east of Interstate I-25. The proposed service area includes approximately 61.554 acres of residential land in its proposed boundaries and is anticipated to be include the single-family portion of the Ledge Rock Center project upon final development.

The reason for the request for an amendment are the following:

- Two-year delay in projected construction but three-year reduction in time for development of the multi-family project and national builder is currently under contract and completing due diligence for the single-family development.
- Updated capital costs, changes in construction costs and installation and development needs for the public improvements for the project.
- Amenities are being provided as well as additional infrastructure required for the Home Supply ditch relocation and additional highway, water and sewer onsite and offsite improvements and roadway expenses are included with increases in capital costs from the time of the drafting of the original service plan in September of 2021 and the Amended and Restated versions in June of 2022 which the developer would request the ability to recover costs based upon the capacity of the Districts run at the current town model Service Plan levels (40 mills for debt and 10 mills for operations and maintenance as is feasible).
- Construction of the improvements have been expedited to both develop and attract end users, builders and businesses to the Ledge Rock Center development have resulted in a renewed and updated request for the Town to consider a debt limit increase for the Residential Metropolitan District No. 1 (multi-family units) and the Residential Metropolitan District No. 2 (single-family units) service plans.

Site Plan

Ledge Rock Center Residential Metropolitan District No. 1 and No. 2



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Mike Schlup
816-550-5539

I COMMERCIAL DISTRICT	127.7 acres
A EAST RETAIL (phase 1):	
outlots (3)	15 k
main retail (1)	202 k
pad retail (5)	100 k
total	317 k
	42.5 acres
Future Inclusion Area 2:	
Park & Ride facility	2.5 acres
Future Inclusion Area 3:	
2 hotels (219 units)	35 k
outlots (3)	15 k
	11.3 acres
B WEST RETAIL (phase 2):	
Future Inclusion Area 1:	
outlots (4)	20 k
pad retail (4)	55 k
main retail (2)	457 k
total sf	532 k
	72.6 acres
II MULTIFAMILY DISTRICT	50.8 acres
A NORTH APARTMENTS:	
# buildings	6
units/bldg	84
total units	504
apt bldg (25k/floor)	100 k
apt bldg total (x6)	600 k
clubhs sf	20 k
self-stor bldg (13k)	39 k
total	659 k
	25.3 acres
B SOUTH APARTMENTS:	
# buildings	6
units/bldg	84
total units	504
apt bldg (25k/floor)	100 k
apt bldg total (x6)	600 k
clubhs sf	20 k
self-stor bldg (13k)	39 k
total	659 k
	25.5 acres
III SINGLE FAMILY DISTRICT	61.3 acres
A NORTH SINGLE FAMILY:	
# lots/homes	77
units / acre	4.4
	17.8 acres
B SOUTH SINGLE FAMILY:	
# lots/homes	119
units / acre	2.9
	40.2 acres
IV TOTAL DEVELOPMENT	241.1 acres

Overall Site Plan
May 19, 2022



Ledge Rock Center

SEC of State Hwy 60 & I-25, Johnstown, Colorado

Carson Development, Inc

DeGasperi & Associates Architecture / Point Consulting

Current Development Program

Ledge Rock Center Residential Metropolitan District No. 1 and No. 2



Ledge Rock Center Residential MDs - Development Projection			
Statutory Actual Value ('23)	Multi-Family (MD No. 1) \$300,000	Single Family (MD No. 2) \$480,000	Total Residential
2024	252	65	317
2025	252	65	317
2026	252	66	318
2027	252	0	252
Total Units	1,008	196	1,204
Total Value	\$302.4M	\$94.1M	\$396.5M

Summary of Changes

Ledge Rock Center Residential Metropolitan District No. 1 and No. 2



	Ledge Rock Center Residential MD No. 1			Ledge Rock Center Residential MD No. 2		
	Existing Service Plan	Proposed Amended Service Plan	CHANGE	Existing Service Plan	Proposed Amended Service Plan	CHANGE
Development Program	1,008 units (apartments)	1,008 units (apartments)	No Change	196 units (single-family)	196 units (single-family)	No Change
Development Timing	2022-2027	2024-2027	2-year start delay; No completion delay	2022-2025	2024-2026	2-year start delay; 1-year completion delay
Debt Service Mill Levy Cap	40.000 mills	40.000 mills	No Change	40.000 mills	40.000 mills	No Change
Financing Plan Assumption	10.000 mills	40.000 mills	Increase of 30.000 mills	40.000 mills	40.000 mills	No Change
O&M Mill Levy Cap	10.000 mills	10.000 mills	No Change	10.000 mills	10.000 mills	No Change
Total Mill Levy Cap	50.000 mills	50.000 mills	No Change	50.000 mills	50.000 mills	No Change
Total Eligible Improvements	\$21,030,119	\$21,030,119	No Change	\$14,657,820	\$14,657,820	No Change
Debt Limit	\$3,714,000	\$15,250,000	Increase of \$11,536,000	\$4,320,000	\$4,967,000	Increase of \$647,000
Imposition Term	40 years from initial imposition	40 years from initial imposition	No Change	40 years from initial imposition	40 years from initial imposition	No Change



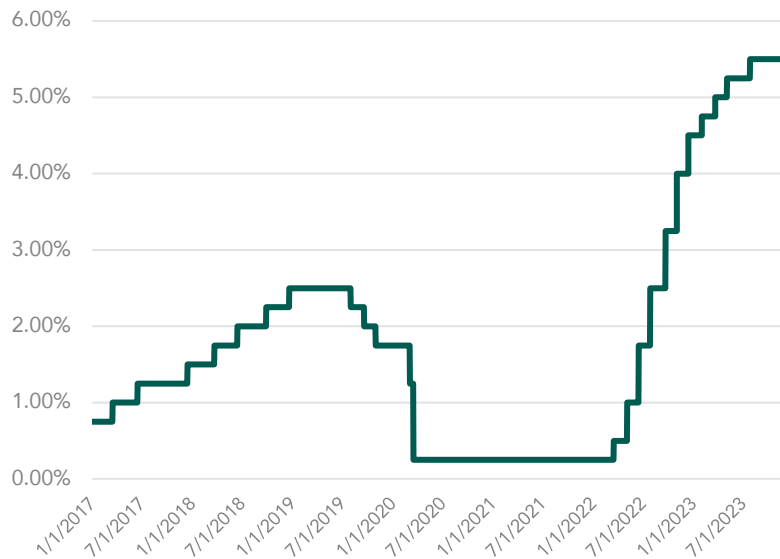
Municipal Market Update

As of November 24, 2023

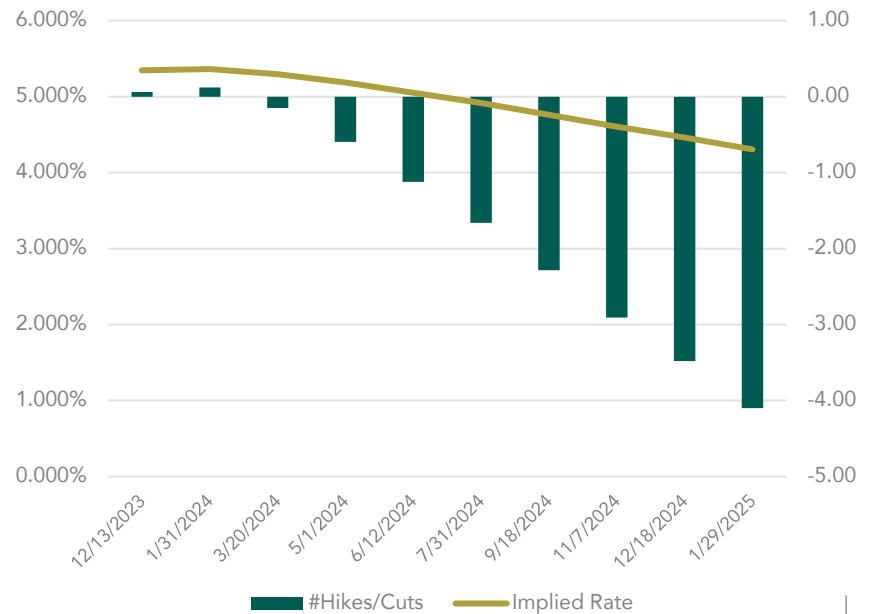
Federal Reserve Action

- At the November Federal Open Market Committee (FOMC) meeting, the Fed held rates steady at 5.25% - 5.50% while indicating it still expects one more hike before the end of the year and few cuts than previously indicated next year.
- As of Friday, November 24th, market futures anticipate rate cuts as early as March 2024.
- The next FOMC rate decision is expected December 13th.

Federal Funds Rate (Jan. 2017 – Present)



Implied Overnight Rate & Number of Rate Hikes (as of 11/24/2023)



Sources: TM3, Bloomberg, Lipper, U.S. Federal Reserve, and the BondBuyer



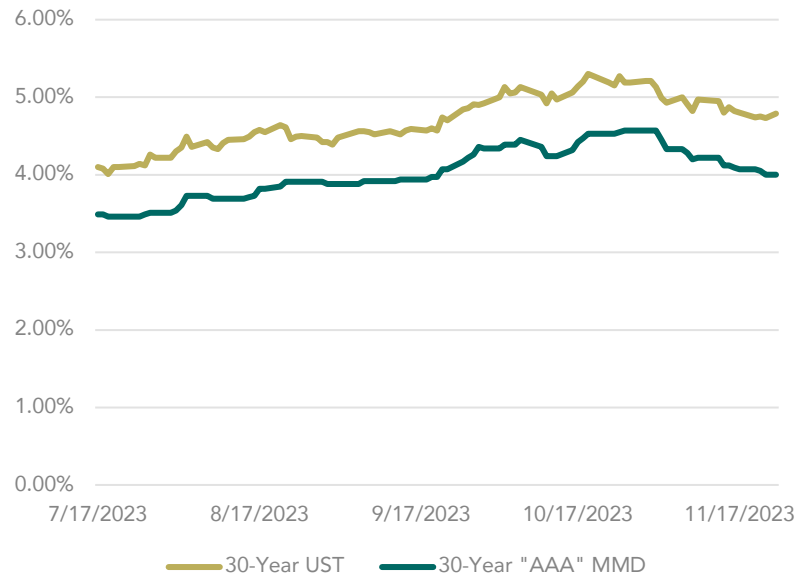
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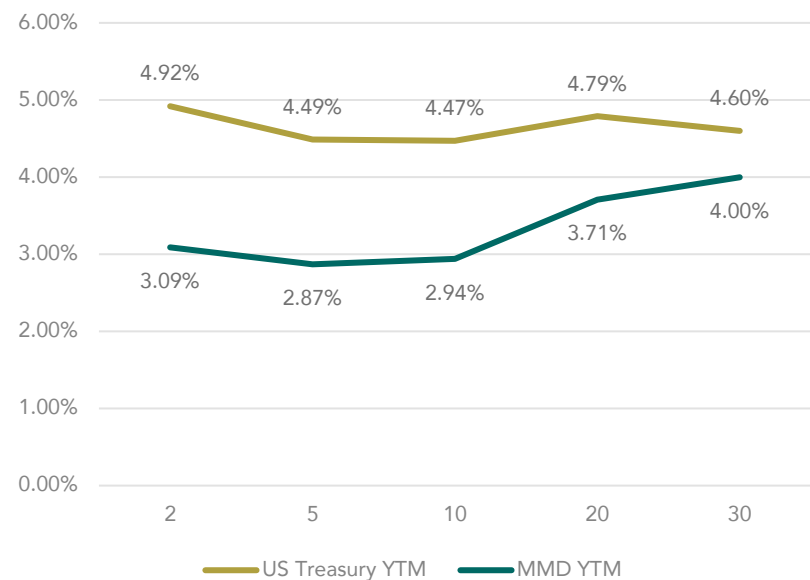
Key Market Insights

- Existing home sales saw their slowest pace since 2010 with a 4.1% month-over-month decrease in October to a seasonally adjusted annual rate of 3.79 million from 3.95 million in September. Sales of existing homes continue to be impacted by higher mortgage rates, increased selling prices, and limited inventory.
- The November reading for the University of Michigan Consumer Sentiment Index came in at 61.3, marking the fourth straight month of decline in consumer sentiment. A key takeaway is the rise in inflation expectations, which may prompt the Fed to consider further monetary tightening.
- The weekly MBA Mortgage Index rose 3.0% to follow last week's 2.8% increase. The Purchase Index was up 3.9% while the Refinance Index was up 1.6%.
- Initial jobless claims for the week ending November 18th decreased by 24,000 to 209,000 while continuing jobless claims for the week ending November 11th decreased by 22,000 to 1.840 million.

30-Year MMD, Treasury Yields (Last 90 Days)



"AAA" MMD vs. US Treasury Yield Curves 11/24/2023





Rate History

30-Year UST & 30-Year "AAA" MMD Yields (2013-2023)
As of November 24, 2023

