

FIRST AMENDED AND RESTATED
SERVICE PLAN
FOR
PALISADE METROPOLITAN DISTRICT NO. 1
(CITY AND COUNTY OF BROOMFIELD, COLORADO)
(RESIDENTIAL DISTRICT)

Prepared by:

MCGEADY SISNEROS, P.C.
450 E. 17TH AVE., SUITE 400
DENVER, CO 80203
(303) 592-4380

Service Plan Approved: September 12, 2006

First Amended and Restated Service Plan Approved: December 2, 2014

NB

TABLE OF CONTENTS

| | Page |
|---|------|
| I. INTRODUCTION | 1 |
| A. Purpose and Intent..... | 1 |
| B. Service Plan Information | 2 |
| II. PURPOSE OF THE DISTRICT | 3 |
| III. DISTRICT BOUNDARIES/MAPS..... | 4 |
| IV. PROPOSED LAND USE/POPULATION PROJECTIONS | 6 |
| V. DESCRIPTION OF TYPES OF IMPROVEMENTS AND PROPOSED SERVICES | 6 |
| A. Types of Improvements | 7 |
| 1. Sanitation | 8 |
| 2. Water..... | 8 |
| 3. Streets..... | 9 |
| 4. Safety Protection..... | 9 |
| 5. Park and Recreation | 10 |
| 6. Transportation..... | 10 |
| 7. Television Relay and Translation | 11 |
| 8. Mosquito Control..... | 11 |
| 9. Fire Protection..... | 11 |
| 11. Other Powers..... | 12 |
| B. Standards of Construction/Statement of Compatibility | 13 |
| VI. DISSOLUTION | 15 |
| VII. PROPOSED AND EXISTING AGREEMENTS | 15 |
| A. Intergovernmental Agreement with Broomfield..... | 15 |
| B. District IGA | 16 |
| C. Other Intergovernmental Agreements..... | 16 |
| D. Voter Authorization | 17 |
| VIII. ASSESSED VALUATION | 17 |
| IX. ESTIMATED OPERATION COSTS..... | 18 |
| X. FINANCIAL PLAN/PROPOSED INDEBTEDNESS | 19 |
| A. General..... | 19 |
| B. Mill Levy/Facilities Fee..... | 20 |
| C. Cost Summary and Bond Development..... | 23 |
| XI. OTHER REQUIREMENTS | 24 |

XII. CONCLUSION..... 24

LIST OF EXHIBITS

- EXHIBIT A-1 Legal Description and Boundary Map of District Boundaries
- EXHIBIT A-2 Legal Description and Boundary Map of District No. 2 Boundaries
- EXHIBIT B Vicinity Map
- EXHIBIT C List of Interested Parties
- EXHIBIT D Description of Facilities and Costs
- EXHIBIT E Sanitation Improvements
- EXHIBIT F Water Improvements
- EXHIBIT G Streets and Safety Protection Improvements
- EXHIBIT H Drainage Improvements
- EXHIBIT I Park and Recreation Improvements
- EXHIBIT J Financial Plan

**FIRST AMENDED AND RESTATED SERVICE PLAN FOR
PALISADE METROPOLITAN DISTRICT NO. 1
(CITY AND COUNTY OF BROOMFIELD, COLORADO)
(RESIDENTIAL DISTRICT)**

I. INTRODUCTION

A. Purpose and Intent. On September 12, 2006, by Resolution No. 2006-158, the City Council of the City and County of Broomfield (“Broomfield” or “City and County”) approved the Service Plan (the “Original Service Plan”) for the Palisade Metropolitan District No. 1 (the “District”). The District was organized pursuant to an Order and Decree issued by the District Court in and for the City and County of Broomfield (the “District Court”) on August 16, 2007.

The District is a quasi-municipal corporation and political subdivision of the State of Colorado, organized and existing in accordance with Section 32-1-101, *et seq.*, C.R.S., as amended (the “Special District Act”). In accordance with Section 32-1-207 of the Special District Act, the Board of Directors of the District petitioned the City and County and submitted this First Amended and Restated Service Plan (“Amended Service Plan” or “Service Plan”) on September 26, 2014. The Amended Service Plan is intended to modify, replace, restate and supersede the Original Service Plan in its entirety.

It is intended that the District will provide a part or all of the Public Improvements, as defined in Section V.A, for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements. The intent of this Amended Service Plan is: (1) to provide an updated Financial Plan incorporating updated development and build-out assumptions and resultant debt capacity; (2) to authorize debt in accordance with the revised capacity shown in the Financial Plan; (3) to

revise the District's debt service mill levy cap from 35 to 50 mills to be competitive with other similarly situated metropolitan districts; and (4) to authorize limited operations functions, only to the extent not otherwise provided by another entity, including operation and maintenance of landscape, streetscape, drainage, parks and trails.

B. Service Plan Information. Pursuant to the requirements of the Special District Act, this Amended Service Plan consists of a financial analysis and an engineering plan showing how the proposed facilities and services of the District will be provided and financed. The following items are included in this Amended Service Plan:

1. A description of the proposed services;
2. A financial plan showing how the proposed services are to be financed;
3. A preliminary engineering or architectural survey showing how the proposed services are to be provided;
4. A map of the District Boundaries, as hereafter defined, and an estimate of the population and valuation for assessment of the District;
5. A general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility and service standards of the District are compatible with facility and service standards of the City and County and of municipalities and special districts which are interested parties pursuant to Section 32-1-204(I), C.R.S.;
6. A general description of the estimated cost, if any, of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and

estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and operation of the District; and

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

II. PURPOSE OF THE DISTRICT

The 155-acre Palisade development (the “Development”) is entirely within the boundaries of the City and County. The area served by the District is located in Broomfield generally north of Baseline Road and west of Highway 87. The total area included in the District is approximately 61 acres. The single-family residential portion of the Development, comprising property included within the boundaries of the District, is currently being developed and is anticipated to include approximately 161 single-family residential units, with build-out projected to occur within approximately 4 years. The Development is being developed by Kevamra, LLC, or its successors or assigns (the “Developer”).

Services will be provided to the Development by two metropolitan districts, the District and Palisade Metropolitan District No. 2 (“District No. 2”). The District and District No. 2 may collectively be referred to herein as the “Districts.” The District provides and will provide public facilities generally within the single-family residential portion of the Development, while District No. 2 provides and will provide certain public facilities generally within the commercial portion of the Development. Although the Districts operate as distinct and separate entities, the Districts have entered into an intergovernmental agreement to coordinate efforts in the construction and cost sharing of facilities and the provision of improvements to the Development in order that

improvements and services are provided in the most efficient, cost effective manner possible (“District IGA”). The District IGA addresses the cost-sharing of construction of improvements to serve the Development. The District is expected to finance the construction of improvements and provide such other services as are described in this Amended Service Plan.

The major purpose of the District is to finance and construct public improvements and to dedicate, when appropriate, some of the public improvements to Broomfield or to such other entity as appropriate. Except as agreed to by Broomfield in a Subdivision Improvement Agreement (“SIA”) between Broomfield and the Developer, Broomfield shall not be obligated to own, operate, or maintain any of the improvements made by the District.

Adequate service is not, and will not be, available to the property within the District Boundaries, as hereafter defined, through existing county, municipal or other quasi-municipal corporations within a reasonable time and on a comparable basis. Land within the District is located within the boundaries of an Urban Renewal Area and an approved Urban Renewal Plan for the North Park West Urban Renewal Project. Currently, there are no other special districts capable of providing the essential public purpose facilities required for development of the property. See **Exhibit C** attached hereto and incorporated herein, which lists other special districts and interested parties as defined by Section 32-1-204(1), C.R.S.

III. DISTRICT BOUNDARIES/MAPS

The area served by the District is located in Broomfield generally north of Baseline Road and west of Highway 87. The total area included in the District is approximately 61 acres (the “District Boundaries”). A legal description and map of the District Boundaries is attached hereto as **Exhibit A-1** and a vicinity map is attached as **Exhibit B**. Notwithstanding the District

Boundaries, the District shall, along with District No. 2, be authorized to provide services and improvements as described herein to the property within the District Boundaries and/or within the boundaries of District No. 2. A legal description of the boundaries of District No. 2 is attached hereto as **Exhibit A-2** (“District No. 2 Boundaries”). The District Boundaries, along with the District No. 2 Boundaries, as they may be changed from time to time, shall be collectively referred to herein as the “Service Area.”

It is anticipated that the District’s boundaries may change from time to time as it undergoes inclusions and exclusions pursuant to Parts 4 and 5 of Article 1, Title 32, C.R.S. The District shall not alter its boundaries by inclusion of additional real property in the District Boundaries without first providing written notice to Broomfield and to the City and County Manager and the City and County Attorney that it has received a petition requesting that additional property be included in the District Boundaries, which petition shall be included in the written notice. After receipt of the notice and petition, the governing body of Broomfield shall within forty-five (45) days of receipt of such notice and petition, either (a) adopt a resolution of approval authorizing the inclusion; or (b) Broomfield acting through the City and County Manager and the City and County Attorney shall submit a written waiver of Broomfield’s right to require such resolution; or (c) Broomfield acting through the City and County Manager and the City and County Attorney shall file a written objection to the inclusion, each action shall be in Broomfield’s sole discretion. Any resolution of approval so adopted or waiver or objection shall be appended to the inclusion petition.

The District shall not provide services to areas outside the Service Area without first providing written notice to Broomfield and to the City and County Manager and the City and

County Attorney that it intends to provide service to areas outside the Service Area. After receipt of the notice the governing body of Broomfield shall within forty-five (45) days of receipt of such notice and petition, either (a) adopt a resolution of approval authorizing the District to provide service to areas outside the Service Area; or (b) Broomfield acting through the City and County Manager and the City and County Attorney shall submit a written waiver of Broomfield's right to require such resolution; or (c) Broomfield acting through the City and County Manager and the City and County Attorney shall file a written objection to providing services outside the Service Area, each action shall be in Broomfield's sole discretion.

IV. PROPOSED LAND USE/POPULATION PROJECTIONS

At present, the property within the District Boundaries is zoned PUD. The property within the District Boundaries is currently being developed and is presently or will be served with the facilities and/or services proposed to be provided by the District, and neither Broomfield nor any other special district has any plans to provide such services within a reasonable time and on a comparable basis. It is anticipated that the property within the District Boundaries will be developed with approximately 161 single-family residential units. The peak daytime population for such property is estimated at 378 persons, based on a ratio of 2.35 residents per household.

V. DESCRIPTION OF TYPES OF IMPROVEMENTS AND PROPOSED SERVICES

The following paragraphs provide a description of the types of improvements and proposed services to be provided by the District. Except as agreed to by Broomfield in the SIA, Broomfield shall not be obligated to own, operate, or maintain any of the improvements made by the District. The District shall not provide the following services: fire protection as defined in

the Colorado Revised Statutes. Fire protection shall be provided by North Metro Fire Rescue District (the “Fire District”).

A. Types of Improvements.

The District plans to provide for the design, acquisition, construction, installation and financing of certain water, sanitation, street, safety protection, park and recreation, transportation, television relay and translator and mosquito control improvements and services within and without the District Boundaries. This Amended Service Plan describes those improvements constructed and/or anticipated for construction. The improvements will benefit all of the property within the District. A general description of each type of improvement and service to be provided by the District follows this paragraph, and **Exhibit D** lists the improvements planned to be provided for the property within the Service Area and estimated costs of facilities (the “Public Improvements”). The Public Improvements generally depicted and described in **Exhibits E** through **I** have been presented for illustration only. The exact design, subphasing of construction and location of the Public Improvements will be determined at the time of the submittal of the site development plan and, if approved by Broomfield, such decisions shall not be considered to be a material modification of this Amended Service Plan. The District shall have the authority to finance improvements for such properties subject to the debt issuance limitations set forth in Section X, Paragraph A hereof, and subject to the terms of the Intergovernmental Agreement dated June 28, 2011, as amended by the Amendment to Intergovernmental Agreement dated concurrently with this Amended Service Plan (as amended, the “District-Broomfield IGA”) by and between the District and Broomfield.

1. Sanitation. The District shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of a local sanitary sewage collection and transmission system which may include, but shall not be limited to, collection mains and laterals, lift stations, transmission lines, and/or storm sewer, flood and surface drainage facilities and systems, including detention/retention ponds and associated irrigation facilities, and all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said system within and without the District Boundaries. The District may provide for sanitary sewage collection and transmission through the purchase of capacity in existing collection mains and transmission lines.

It is anticipated that, following acceptance by Broomfield, Broomfield will own, operate and maintain the sanitation improvements constructed by the District in accordance with the SIA. It is anticipated, however, that stormwater improvements will be owned by the District and may be maintained by the District or an owners association.

2. Water. The District shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of a complete potable and nonpotable local water, transmission, and distribution system, which may include, but shall not be limited to, transmission lines, distribution mains and laterals, pressure reducing stations, irrigation facilities, storage facilities, water supply, water rights, land and easements, and all necessary, incidental, and appurtenant facilities, together with extensions of and improvements to said system within and without the District Boundaries.

It is anticipated that, following acceptance by Broomfield, Broomfield will own, operate and maintain the water system for the development and any future included areas in accordance with the SIA.

3. Streets. The District shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of street improvements, including curbs, gutters, culverts, and other drainage facilities, acceleration and deceleration lanes, sidewalks, bike paths and pedestrian ways, median islands, paving, lighting, parking lots, grading, landscaping and irrigation, together with all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the boundaries of the District. It is anticipated that, following acceptance by Broomfield, Broomfield will own and maintain the streets and street improvements within the District in accordance with an SIA. However, to the extent Broomfield or another entity does not own and maintain any of the streets, landscape, streetscape and drainage improvements within the District, such improvements may be owned by the District and operated and maintained by the District or an owners association.

4. Safety Protection. The District shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of facilities and/or services for a system of traffic and safety controls and devices on streets and highways and at railroad crossings, including, but not limited to, signalization, signing and striping, together with all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the District Boundaries.

Following acceptance, all safety protection improvements will be transferred to Broomfield and/or the Colorado Department of Transportation for ownership, operation and maintenance in accordance with an SIA. However, to the extent Broomfield or another entity does not own and maintain any of the safety protection improvements within the District, such improvements may be owned by the District and operated and maintained by the District or an owners association.

5. Park and Recreation. The District shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of parks and recreational facilities and programs, including, but not limited to, parks, bike paths and pedestrian ways, open space, landscaping, cultural activities, water bodies, irrigation facilities, and other active and passive recreational facilities and programs, and all necessary, incidental and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the District Boundaries.

Following acceptance, some of the park and recreation improvements will be owned, operated and maintained by Broomfield. However, to the extent Broomfield does not accept any such park and recreation improvements within the District, such improvements may be owned by the District and operated and maintained by the District.

6. Transportation. The District shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of a system to transport the public by bus, rail, or any other means of conveyance, or combination thereof, or pursuant to contract, including park and ride facilities and parking lots, structures and facilities; together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary

extensions of and improvements to said facilities or systems within and without the District Boundaries. Following acceptance, any transportation improvements will be transferred to Broomfield or other appropriate entity for ownership, operation and maintenance in accordance with the SIA.

7. Television Relay and Translation. The District shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of television relay and translation facilities and programs, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or programs within and without the District Boundaries. Following acceptance, any television relay and translation improvements will be transferred to Broomfield for ownership, operation and maintenance in accordance with the SIA.

8. Mosquito Control. The District shall have the power to provide for the eradication and control of mosquitoes, including, but not limited to, elimination or treatment of breeding grounds and purchase, lease, contracting or other use of equipment or supplies for mosquito control within and without the District Boundaries. It is anticipated that mosquito control improvements will be maintained by an owner's association or the District.

9. Fire Protection. The Fire District currently provides fire protection service to property within the Service Area. The District shall have the limited power to provide for the financing of and design, acquisition, construction, completion, installation, operation and maintenance facilities and equipment for fire protection, including fire stations, ambulance and emergency medical response and rescue services, diving and grappling stations and all necessary,

incidental and appurtenant facilities, land and easements, together with extensions of improvements to said systems within and without the boundaries of the District. Following acceptance, the fire protection improvements and facilities will be transferred to the Fire District for ownership, operation and maintenance. The District's authority to provide limited fire protection services and facilities shall be subject to an agreement between the District and the Fire District pursuant to Section 32-1-107(3)(b)(IV), C.R.S. It is in the express intent of this Amended Service Plan that the District's authority to provide limited fire protection service and facilities shall be exercised cooperatively with the existing Fire District, rather than authorize the creation of an independent fire department as a part of the District.

10. Covenant Enforcement. In accordance with Section 32-1-1004(8), C.R.S., the District shall have the power to provide covenant enforcement and design review services within the Development if District and the governing body of a master association or similar body contract for such services, or if the declaration, rules and regulations, or any similar document containing the covenants to be enforced for the area within the District name the District as the enforcement or design review entity. The District shall have the power to provide covenant enforcement and design review services only if revenues used to provide such services are derived from the area in which the service is furnished.Other Powers. In addition to the enumerated powers, the Board of Directors of the District shall also have the following authority:

(a) Plan Modifications. Subject to the District-Broomfield IGA, to modify the Amended Service Plan as needed, subject to the statutory procedures set forth in Section 32-1-207, C.R.S.

(b) Phasing, Deferral. Without modifying this Amended Service Plan, to defer, forego, reschedule, or restructure the financing and construction of certain improvements and facilities, to better accommodate the pace of growth, resource availability, and potential inclusions of property within the District in accordance with Section III hereinabove.

(c) Additional Services. Except as specifically provided herein, to provide such additional services and exercise such powers as are expressly or impliedly granted to special districts by Colorado law.

(d) Subdistricts. The District shall have the authority pursuant to Section 32-1-1101(1)(f)(I), C.R.S. and Section 32-1-1101(1.5)(a) through (1.5)(e), C.R.S., to divide the District into one or more areas consistent with the services, programs and facilities to be furnished therein. The exercise of such authority shall not be deemed a material modification of this Amended Service Plan.

B. Standards of Construction/Statement of Compatibility.

1. The sanitary sewer treatment and/or collection facilities will be designed, constructed and maintained in accordance with the standards of the Colorado Department of Health, Broomfield and other applicable local, state or federal rules and regulations.

2. The District's water system will be constructed and maintained in accordance with the standards of Broomfield, the Colorado Department of Health or other jurisdictions, as appropriate.

3. All streets and safety protection facilities to be dedicated to Broomfield will be constructed in accordance with the standards and specifications of Broomfield.

4. All storm sewers and facilities will be constructed in accordance with the standards and specifications of Broomfield, the Urban Drainage and Flood Control District and other local jurisdictions, as appropriate.

5. All parks and recreational facilities and/or services will be constructed in accordance with engineering and design requirements appropriate for the surrounding terrain, and shall not be incompatible with standards of Broomfield or other local public entities, as appropriate.

6. All transportation facilities and/or services will be provided in accordance with the standards and specifications of Broomfield, if any, or other local public entities, as appropriate.

7. All television relay and translation facilities and/or programs will be provided in accordance with the standards and specifications of Broomfield, if any, or other public entities, as appropriate.

8. All mosquito control activities and/or programs will be provided in accordance with the standards and specifications of the Colorado Department of Health, Broomfield and other applicable local, state and federal regulations.

The District will require its engineers to implement a plan to assure that the standards by which the facilities are to be constructed are compatible with the facilities of Broomfield and any other party which will have jurisdiction over the design and/or construction of such facilities. The District and its engineer shall consider whether the standards of any of the

jurisdictions which are interested parties in the Amended Service Plan proceedings as defined in the Colorado Revised Statutes, a list of which is attached as **Exhibit C**, are applicable to the facilities. To the extent any of the interested parties' standards are applicable to the facilities, the District's engineer will assure that the standards by which the facilities are to be constructed are compatible with the facilities of such jurisdiction.

VI. DISSOLUTION

At the request of Broomfield, and in accordance with the terms of the District-Broomfield IGA, or if the Board of Directors of the District deems it to be in the best interests of the District that the District be dissolved, the District shall initiate and diligently pursue dissolution in accordance with Section 32-1-701, et seq., C.R.S., at such time as: (1) Broomfield agrees to provide or cause to be provided substantially the same level of operations and maintenance (if any) of the District's facilities as the District has provided; (2) all of the proposed improvements and facilities have been constructed and conveyed to Broomfield or other appropriate entity and (3) all debt incurred for such facilities has been repaid or arrangement for repayment has been made. The City Council of Broomfield may consent to the dissolution by resolution in accordance with the terms of the District-Broomfield IGA.

VII. PROPOSED AND EXISTING AGREEMENTS

A. Intergovernmental Agreement with Broomfield.

The District and Broomfield have entered into the District-Broomfield IGA providing generally that: (1) the District shall take all action necessary to dissolve pursuant to Title 32, Article 1, part 7, C.R.S., as amended from time to time in accordance with Section VI of this Amended Service Plan; (2) the District shall not publish, without written consent of

Broomfield, a notice under Section 32-1-207 (3), C.R.S. of its intent to undertake construction of any facility, the issuance of bonds or other financial obligation, the levy of taxes, the imposition of rates, fees, tolls and charges, or any other proposed activity of the District which requires that any action to enjoin such activity as a material departure from the Amended Service Plan be brought within forty-five (45) days of such notice; (3) as a consequence of its organization, the District shall specifically assume certain development obligations of the Developer of the property within the District Boundaries as set forth in the SIA; (4) prior to expanding its boundaries or services outside the Service Area, the District shall follow the notification procedure set forth in Section III of the Amended Service Plan; and (5) prior to issuing bonds, the District shall provide Broomfield with a copy of the District's Bond Issuance Plan in accordance with Section XI, Paragraph A, of the Amended Service Plan.

B. District IGA. The Districts have entered into the District IGA to coordinate efforts in the construction of facilities and provision of services within the Service Area in order that improvements and services are provided in the most efficient, cost-effective manner possible. The District IGA establishes a mechanism by which responsibility for construction, financing and operations of improvements is determined.

C. Other Intergovernmental Agreements. The District may participate in intergovernmental agreements with District No. 2 and/or other governmental entities including, but not limited to the City and/or Broomfield Urban Renewal Authority, to coordinate the provision of public improvements and services to serve the inhabitants of the District and Service Area. To this end, the District, District No. 2 and the Broomfield Urban Renewal Authority have entered into that certain Reimbursement Agreement dated October 9, 2007 and recorded in the

Office of the City and County of Broomfield Clerk and Recorder on November 5, 2007 as Reception No. 2007014195, as amended by Amendment No. 1 to the Reimbursement Agreement dated April 19, 2011 and by Amendment No. 2 to Reimbursement Agreement dated December 2, 2014 (collectively, the “Reimbursement Agreement”). To the extent necessary to comply with statutory and/or Constitutional requirements for approval of debt or long-term financial obligations, the terms of the aforementioned intergovernmental agreements and any other intergovernmental agreement deemed necessary to effectuate the long-term plans of the District will be submitted to the electors of the District for approval. The District shall have the authority to obtain the required voter authorization in order to exercise its rights and obligations under such agreements and to enter into the agreements without further approval of Broomfield.

D. Voter Authorization. To the extent necessary to comply with the statutory and/or Constitutional requirements for approval of debt or long-term financial obligations, the terms of the aforementioned intergovernmental agreements and any other intergovernmental agreement deemed necessary to effectuate the long-term plans of the District will be submitted to the electors of the District for approval. Sample District Ballot Questions are attached hereto as **Exhibit K**. The District shall have the authority to obtain the required voter authorization in order to exercise its rights and obligations under such agreements and to enter into the agreements without further approval of Broomfield.

VIII. ASSESSED VALUATION

For purposes of the Financial Plan, the property within the Service Area is assumed to have an assessed valuation as of 2014 of \$0. As development within the District Boundaries

occurs, the property shall be subject to the mill levy imposed by the District. The projected build-out and assessed valuation for the property within the District is set forth in the Financial Plan set forth in **Exhibit J**. At build-out, the assessed valuation of the property within the District is expected to be approximately Four Million Four Hundred Thousand Dollars (\$4,400,000).

IX. ESTIMATED OPERATION COSTS

Subject to the applicable warranty, the District intends to dedicate certain facilities constructed or acquired, to the appropriate jurisdiction for operations and maintenance in accordance with the SIA. Estimated costs for operation functions of the District are shown on the Financial Plan, attached as **Exhibit J**. The Financial Plan assumes at build-out, the District will incur approximately Fifty Thousand Dollars (\$50,000) annually in administrative operations and maintenance expenses. The Financial Plan reflects that the District will impose a mill levy of approximately ten (10) mills to fund operation expenses. There are statutory and constitutional limits on the District's ability to increase its mill levy for provision of operation and maintenance services without an election. The proponents of the District intend to seek the District's electoral approval to waive the foregoing limitations. The Mill Levy Cap, defined below, proposed for repayment of bonds does not apply to the District's ability to increase its mill levy as necessary for the provision of operation services to its taxpayers and service users.

In addition to the operations mill levy, the District may also rely upon various other revenue sources authorized by law and this Amended Service Plan to offset the expenses of District management, operations and maintenance. These may include revenues from other governmental entities and developers as well as the power to assess fees, rates, penalties, or

charges as provided in Title 32, Article 1, C.R.S., as amended. The District shall have the authority to repay the Developer for amounts advanced for operations expenses together with accrued interest thereon and to seek electorate approval for such obligation to be deemed a multiple-fiscal year obligation, provided such obligation shall be subordinate to the District's bonds issued for capital improvements.

X. FINANCIAL PLAN/PROPOSED INDEBTEDNESS

The Financial Plan is attached hereto showing how the proposed Improvements and/or services may be financed, including the estimated costs, if any, of acquiring land, engineering services, legal services, administrative services, proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and operation of the District. The Financial Plan demonstrates that, at various projected levels of development, the District has the ability to finance the proposed Improvements identified herein, and will be capable of discharging the proposed indebtedness on a reasonable basis.

A. General. The provision of facilities by the District will be primarily financed by the issuance of general obligation bonds, secured by the ad valorem taxing authority of the District with limitations as discussed below. In order to finance the Improvements, the Financial Plan demonstrates the issuance of approximately Two Million Six Hundred Twenty-Five Thousand Dollars (\$2,625,000) in general obligation bonds. Prior to the issuance of any general obligation debt, the construction costs for necessary improvements may be paid by the Developer, subject to subsequent acquisition by the District of the completed improvements and payment to the Developer of such construction costs. The Financial Plan demonstrates the issuance of general obligation bonds and the anticipated repayment based on the projected

development in the District. The Financial Plan assumes the first bond issue will occur in 2015. The District shall incur debt in an amount of not to exceed Ten Million Two Hundred Sixty Thousand Dollars (\$10,260,000) (“Debt Authority”). Issuance of debt in excess of the Debt Authority shall be considered a material modification of the Service Plan, which shall be subject to the statutory procedures set forth in Section 32-1-207, C.R.S..

Prior to issuance of any bonds, the District shall submit to Broomfield a financial plan which demonstrates the structure of the proposed bond transaction and the District’s plan to pay the proposed bonds (“Bond Issuance Plan”). At least fifteen (15) days prior to submitting the Bond Issuance Plan, the District shall submit to Broomfield a Notice of Intent to Issue Bonds. The City and County Manager and City and County Attorney shall have forty-five (45) days from the date of receipt of the Bond Issuance Plan in which to object to such Bond Issuance Plan. In the event Broomfield objects in writing within the forty-five (45) day period, the District shall proceed with the bond issuance only with the written consent of the City/County Manager and City/County Attorney, or their designees. Broomfield shall never be liable for any of the District’s debt obligations.

B. Mill Levy/Facilities Fee. The District will assess a mill levy on all taxable property in the District as a primary source of revenue for repayment of debt service and, as discussed above, for operations. Although the mill levy may vary depending upon the elected board’s decision to fund the projects contemplated in this Amended Service Plan, it is estimated that a mill levy of ten (10) mills will produce revenue sufficient to support the District’s operations and a mill levy of forty-five (45) mills will produce revenue sufficient to support debt retirement throughout the bond repayment period.

The proposed maximum voted interest rate is estimated at fifteen percent (15%) and the maximum discount at five percent (5%). The exact interest rates, term and discounts will be determined at the time the bonds are sold by the District, and will reflect market conditions at the time of sale. The District may also issue notes, certificates, debentures or other evidences of indebtedness, including, but not limited to, contracts that extend beyond one year, on parity with or subordinate to debt issued pursuant to the Debt Authority, subject to the limitations set forth herein. Refunding bonds may be issued as determined by the Board of Directors and are not subject to the Debt Authority. The District may capitalize interest to permit payment of interest during the time lapse between development of taxable properties and the collection of significant tax revenues therefrom. Interest income through the reinvestment of construction funds, capitalized interest and annual tax receipts will provide additional funds. These revenue sources should be sufficient to retire the proposed indebtedness if growth occurs as projected; otherwise, increases in the mill levy and/or the imposition of rates, tolls, fees and charges may be necessary, but in no event shall the debt service mill levy exceed the Mill Levy Cap, as defined below.

The Mill Levy Cap shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of debt, and shall be determined as follows:

For the portion of any debt which exceeds fifty percent (50%) of the District's assessed valuation, the Mill Levy Cap for such portion of debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy debt described below; provided that if, on or after January 1, 2002 there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement, the mill levy limitation applicable to such

debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board of Directors of the District in good faith so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2002, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

For the portion of any District debt which is equal to or less than fifty percent (50%) of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of debt shall not be subject to the Mill Levy Cap and, as a result, the mill levy may be such amount as is necessary to pay the debt service on such debt, without limitation of rate.

Once debt has been determined to be not subject to the Mill Levy Cap, so that the District is entitled to pledge to its payment an unlimited ad valorem mill levy, the District may provide that such debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent change in the District's debt to assessed ratio. All debt issued by the District must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of State law.

The District has imposed a one-time "Facilities Fee" against the property within its boundaries. All revenues received from the Facilities Fee are expected to be pledged for the repayment of principal and interest on the bonds. The amount of the Facilities Fee may be increased or decreased by the District. The obligation of the property owner to pay the Facilities Fee shall create a perpetual statutory lien on the property within the District Boundaries.

C. Cost Summary and Bond Development. The Financial Plan reflects the amount of bonds to be sold to finance the completion, construction, acquisition and/or installation of the Public Improvements, including all costs and expenses related to the anticipated bond issuances. The amount of bonds sold will be based upon the final engineering estimates and/or actual construction contracts. Organizational costs, including legal fees, accounting fees, and capitalized engineering costs, are anticipated to be paid from bond proceeds. The interest rates as set forth in the Financial Plan are based upon the advice of D.A. Davidson & Co., in its capacity as the investment banker to the District.

The Financial Plan projects the anticipated flow of funds and is based upon estimates of construction and project needs for bond proceeds to finance the Public Improvements. The District's engineer has evaluated the timing and cost estimate of the Public Improvements which are necessary to support the proposed absorptions of development as projected in the Financial Plan and has concurred with the assumptions. The Financial Plan sets forth a reasonable estimate of growth within the District and allows the Board of Directors a measure of flexibility such that the District need not incur debt in excess of what it needs to meet a growing population's demands for facilities and services.

Provided that the District has complied with the Bond Issuance Plan, the issuance of general obligation bonds shall be deemed to be in compliance with the Financial Plan as long as the Minimum Criteria, as hereinafter defined, have been met. Minimum Criteria shall mean that the general obligation bonds are: (1) subject to a Mill Levy Cap, if required by the Service Plan; (2) together with other outstanding general obligations bonds, not in excess of the general obligation debt authorization set forth in this Service Plan, as may be amended from time to

time; and (3) together with other outstanding general obligation bonds, not in excess of the general obligation Debt Authority approved by the District's electorate.

D. Projections of Assessed Valuation. For purposes of developing the Financial Plan set forth herein, it was assumed that a total of 161 single-family residential units will be developed during the years 2014 through 2017. It is also assumed that the increase in the assessed valuation from new construction will be realized one year after such construction and that tax collections will be realized two years after such construction.

XI. OTHER REQUIREMENTS

The District shall be subject to the following additional requirements:

A. Submission of annual reports as described in Section 32-1-207(3), C.R.S., in the form prescribed by Broomfield.

B. Material modifications of this Amended Service Plan, except as contemplated herein, shall be subject to approval by Broomfield in accordance with the provisions of Section 32-1-207, C.R.S., and pursuant to the District-Broomfield IGA.

XII. CONCLUSION

It is submitted that this Amended Service Plan for the Palisade Metropolitan District No. 1, as required by Section 32-1-203(2), C.R.S., establishes that:

A. There is sufficient existing and projected need for organized service in the area to be serviced by the District;

B. The existing service in the area to be served by the District is inadequate for present and projected needs;

C. The District is capable of providing economical and sufficient service to the area within its boundaries; and

D. The area to be included in the District does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

EXHIBIT A-1

Legal Description and Boundary Map of the District Boundaries

PARCEL DESCRIPTION

LOCATED IN THE SW 1/4 OF SECTION 34, TOWNSHIP 1 NORTH, RANGE
68 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY AND COUNTY OF
BROOMFIELD, STATE OF COLORADO

SHEET 1 OF 2

A PARCEL OF LAND LOCATED IN THE SOUTHWEST 1/4 OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 68
WEST OF THE 6TH P.M., CITY AND COUNTY OF BROOMFIELD, STATE OF COLORADO, BEING MORE
PARTICULARLY DESCRIBED AS FOLLOWS:

CONSIDERING THE NORTH LINE OF PALISADE PARK FILING NO. 1 RECORDED ON OCTOBER 9, 2007 AT
RECEPTION NO. 2007013123 IN THE RECORDS OF THE CITY AND COUNTY OF BROOMFIELD TO BEAR
NORTH 89°33'35" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO; BEGINNING AT THE
NORTHEAST CORNER OF SAID SUBDIVISION THENCE ALONG THE EAST LINE OF SAID SUBDIVISION SOUTH
00°02'49" EAST, A DISTANCE OF 843.65 FEET; THENCE DEPARTING SAID EAST LINE NORTH 89°42'41"
WEST, A DISTANCE OF 1031.78 FEET; THENCE SOUTH 00°00'00" WEST, A DISTANCE OF 849.19 FEET TO
A POINT ON THE CENTERLINE OF 169TH AVENUE; THENCE ALONG THE SAID CENTERLINE THE FOLLOWING
FIVE (5) COURSES;

- 1) THENCE SOUTH 89°43'01" WEST, A DISTANCE OF 438.44 FEET TO A POINT OF CURVATURE;
- 2) THENCE ON A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 195.00 FEET, AN ARC
LENGTH OF 83.91 FEET, AN INCLUDED ANGLE OF 24°39'13", AND A CHORD BEARING SOUTH
77°23'24" WEST, A DISTANCE OF 83.28 FEET;
- 3) THENCE SOUTH 65°03'48" WEST, A DISTANCE OF 281.51 FEET TO A POINT OF CURVATURE;
- 4) THENCE ON A TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 195.00 FEET, AN ARC
LENGTH OF 83.56 FEET, AN INCLUDED ANGLE OF 24°33'03", AND A CHORD BEARING SOUTH
77°20'20" WEST, A DISTANCE OF 82.92 FEET;
- 5) THENCE SOUTH 89°36'51" WEST, A DISTANCE OF 720.00 FEET TO A POINT ON THE WEST LINE
OF SAID SUBDIVISION;

THENCE DEPARTING SAID CENTERLINE AND ALONG SAID WEST LINE NORTH 00°19'00" WEST, A DISTANCE
OF 1329.82 FEET TO A POINT ON THE NORTH LINE OF SAID SUBDIVISION; THENCE ALONG SAID NORTH
LINE NORTH 89°33'35" EAST, A DISTANCE OF 2814.50 FEET TO THE NORTHEAST CORNER OF SAID
SUBDIVISION, SAID POINT ALSO BEING THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 2,860,174 SQ FT OR 61.07 ACRES MORE OR LESS.

I, JOHN B. GUYTON, A LICENSED LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY STATE FOR
AND ON BEHALF OF FLATIRONS, INC., THAT THIS PARCEL DESCRIPTION AND ATTACHED EXHIBIT, BEING
MADE A PART THEREOF, WERE PREPARED BY ME OR UNDER MY RESPONSIBLE CHARGE AT THE
REQUEST OF THE CLIENT AND IS NOT INTENDED TO REPRESENT A MONUMENTED LAND SURVEY OR
SUBDIVIDE LAND IN VIOLATION OF STATE STATUTE.

JOHN B. GUYTON
COLORADO P.L.S. #16400
CHAIRMAN/CEO, FLATIRONS, INC.



DATE
FSI JOB NO. 11-58,115

Flatirons, Inc.
Surveying, Engineering & Geomatics

3825 IRIS AVENUE, #395
BOULDER, CO 80301
PH: (303) 443-7001
FAX: (303) 443-9830



855 FOURTH AVENUE
LONGMONT, CO 80501
PH: (303) 778-1733
FAX: (303) 778-4388

www.FlatironsInc.com

PARCEL EXHIBIT

LOCATED IN THE SW 1/4 OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 68 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY AND COUNTY OF BROOMFIELD, STATE OF COLORADO

SHEET 2 OF 2

W 1/4 COR. SEC. 34, T1N, R68W, 6TH P.M.

LOWELL LANE

BASIS OF BEARINGS
N89°33'35"E 2614.50'

S 1/4 COR. SEC. 34, T1N, R68W, 6TH P.M. (POINT OF BEGINNING)

| CURVE TABLE | | | | |
|-------------|--------|---------|-----------|--------------------|
| | LENGTH | RADIUS | DELTA | CHORD |
| C1 | 83.91' | 195.00' | 24°39'13" | S77°23'24"W 83.26' |
| C2 | 83.56' | 195.00' | 24°33'03" | S77°20'20"W 82.92' |

DISTRICT 1

| LINE TABLE | |
|------------|---------------------|
| L1 | S89°43'01"W 438.44' |
| L2 | S65°03'46"W 281.51' |
| L3 | S89°36'51"W 720.00' |

TOTAL AREA
2,860,174 SQ FT OR
61.07 ACRES MORE
OR LESS

N89°42'41"W 1031.78'

COUNTY RD NO. 7 N0019°00'W 1329.62'

S0002°49'E 643.65'
HURON ST

LOT 1
BLOCK 1

S0000°00'W
549.19'

169TH AVE

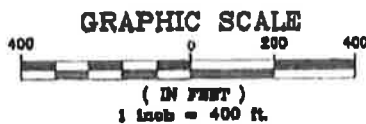
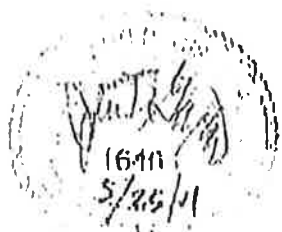
PALISADE PARK
FILING NO 1

DISTRICT 2

LOT 2
BLOCK 2

LOT 3
BLOCK 3

LOT 1
BLOCK 3



FSI JOB NO. 11-58,115
DRAWN BY: B. OELKE
DATE: MAY 25, 2011

STATE HIGHWAY 7

S 1/4 COR. SEC. 34, T1N, R68W, 6TH P.M.

SW COR. SEC. 34, T1N, R68W, 6TH P.M.

NW COR. SEC. 3, T1S, R68W, 6TH P.M.

THIS IS NOT A "LAND SURVEY PLAT" OR "IMPROVEMENT SURVEY PLAT" AND THIS EXHIBIT IS NOT INTENDED FOR PURPOSES OF TRANSFER OF TITLE OR SUBDIVISIONS OF LAND. THIS EXHIBIT IS INTENDED TO DEPICT THE ACCOMPANYING PARCEL DESCRIPTIONS. RECORD INFORMATION SHOWN HEREON IS BASED ON INFORMATION PROVIDED BY CLIENT.

Flatirons, Inc.
Surveying, Engineering & Geomatics

3025 IRIS AVENUE, #385
BOULDER, CO 80501
PH: (303) 443-7001
FAX: (303) 443-9830



655 FOURTH AVENUE
LONGMONT, CO 80501
PH: (303) 776-1733
FAX: (303) 776-4356

www.FlatironsInc.com

EXHIBIT A-2

Legal Description and Boundary Map of District No. 2 Boundaries

PARCEL DESCRIPTION

LOCATED IN THE SW 1/4 OF SECTION 34, TOWNSHIP 1 NORTH, RANGE
68 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY AND COUNTY OF
BROOMFIELD, STATE OF COLORADO

SHEET 1 OF 2

A PARCEL OF LAND LOCATED IN THE SOUTHWEST 1/4 OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 68
WEST OF THE 6TH P.M., CITY AND COUNTY OF BROOMFIELD, STATE OF COLORADO, BEING MORE
PARTICULARLY DESCRIBED AS FOLLOWS:

CONSIDERING THE NORTH LINE OF PALISADE PARK FILING NO. 1 RECORDED ON OCTOBER 9, 2007 AT
RECEPTION NO. 2007013123 IN THE RECORDS OF THE CITY AND COUNTY OF BROOMFIELD TO BEAR
NORTH 89°33'35" EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO; COMMENCING AT
THE NORTHEAST CORNER OF SAID SUBDIVISION THENCE ALONG THE EAST LINE OF SAID SUBDIVISION
SOUTH 00°02'49" EAST, A DISTANCE OF 843.65 FEET TO THE POINT OF BEGINNING; THENCE
CONTINUING ALONG SAID EAST LINE SOUTH 00°02'49" EAST, A DISTANCE OF 1943.10 FEET TO THE
SOUTHEAST CORNER OF SAID SUBDIVISION; THENCE ALONG THE SOUTH LINE OF SAID SUBDIVISION
SOUTH 89°38'48" WEST, A DISTANCE OF 2552.57 FEET TO A SOUTHWEST CORNER OF SAID SUBDIVISION;
THENCE ALONG A SOUTHWESTERLY LINE OF SAID SUBDIVISION NORTH 45°15'53" WEST, A DISTANCE OF
70.43 FEET TO A POINT ON THE WEST LINE OF SAID SUBDIVISION; THENCE ALONG SAID WEST LINE
NORTH 00°19'00" WEST, A DISTANCE OF 1204.73 FEET TO THE CENTERLINE OF 169TH AVENUE; THENCE
ALONG SAID CENTERLINE THE FOLLOWING FIVE (5) COURSES;

- 1) NORTH 89°38'51" EAST, A DISTANCE OF 720.00 FEET TO A POINT OF CURVATURE;
 - 2) THENCE ON A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 195.00 FEET, AN ARC
LENGTH OF 83.56 FEET, AN INCLUDED ANGLE OF 24°33'03", AND A CHORD BEARING NORTH
77°20'20" EAST, A DISTANCE OF 82.92 FEET;
 - 3) THENCE NORTH 65°03'48" EAST, A DISTANCE OF 281.51 FEET TO A POINT OF CURVATURE;
 - 4) THENCE ON A TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 195.00 FEET, AN ARC
LENGTH OF 83.91 FEET, AN INCLUDED ANGLE OF 24°39'13", AND A CHORD BEARING NORTH
77°23'24" EAST, A DISTANCE OF 83.28 FEET;
 - 5) THENCE NORTH 89°43'01" EAST, A DISTANCE OF 438.44 FEET;
- THENCE DEPARTING SAID CENTERLINE NORTH 00°00'00" EAST, A DISTANCE OF 549.19 FEET; THENCE
SOUTH 89°42'41" EAST, A DISTANCE OF 1031.78 FEET TO A POINT ON THE EAST LINE OF SAID
SUBDIVISION, SAID POINT ALSO BEING THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 4,082,587 SQ FT OR 93.72 ACRES MORE OR LESS.

I, JOHN B. GUYTON, A LICENSED LAND SURVEYOR IN THE STATE OF COLORADO, DO HEREBY STATE FOR
AND ON BEHALF OF FLATIRONS, INC., THAT THIS PARCEL DESCRIPTION AND ATTACHED EXHIBIT, BEING
MADE A PART THEREOF, WERE PREPARED BY ME OR UNDER MY RESPONSIBLE CHARGE AT THE
REQUEST OF THE CLIENT AND IS NOT INTENDED TO REPRESENT A MONUMENTED LAND SURVEY OR
SUBDIVIDE LAND IN VIOLATION OF STATE STATUTE.

JOHN B. GUYTON
COLORADO P.L.S. #16406
CHAIRMAN/CEO, FLATIRONS, INC.



DATE
FSI JOB NO. 11-58,115

Flatirons, Inc.
Surveying, Engineering & Geomatics

3825 IRIS AVENUE, #395
BOULDER, CO 80301
PH: (303) 443-7001
FAX: (303) 443-9830

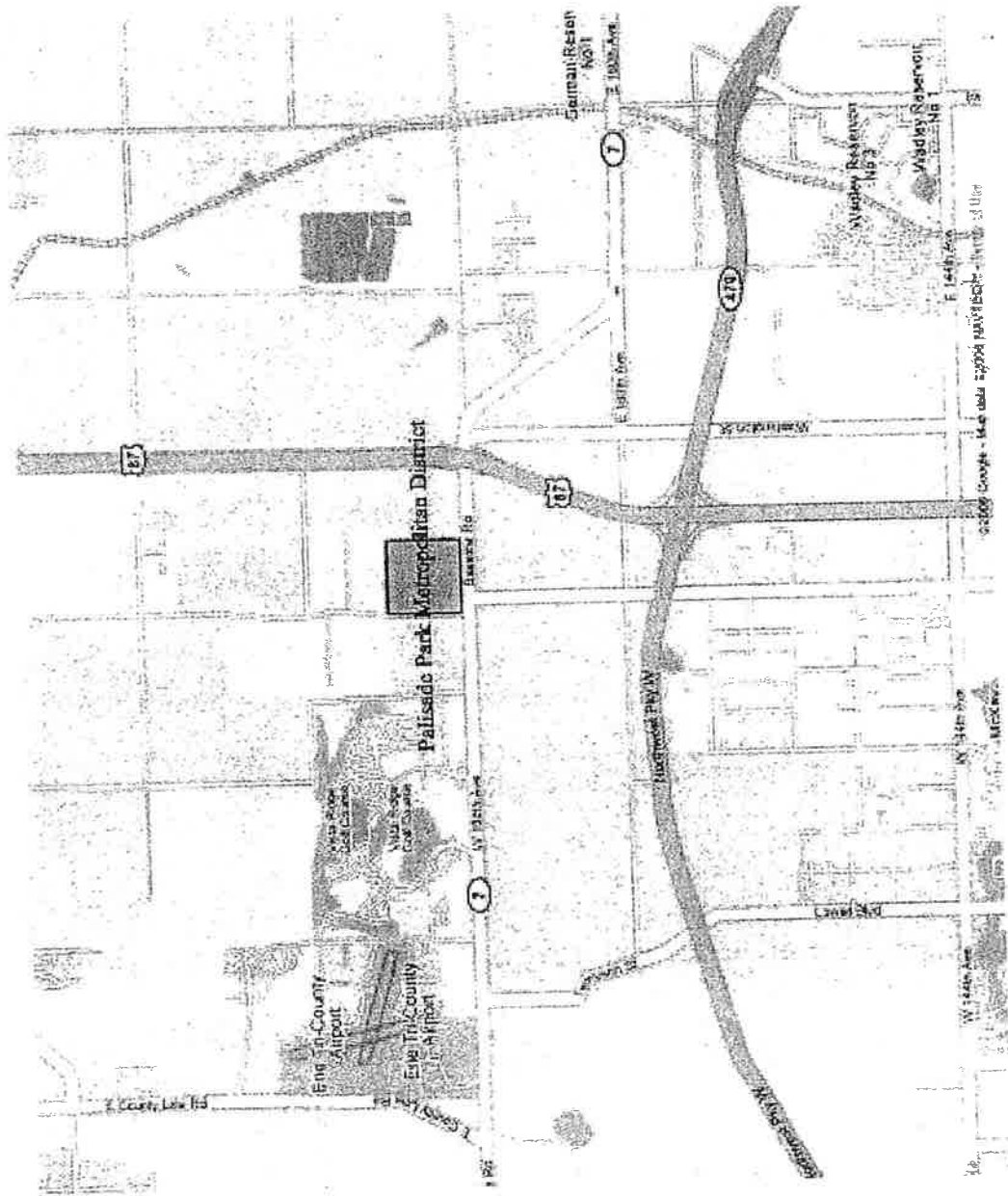


855 FOURTH AVENUE
LONGMONT, CO 80501
PH: (303) 778-1733
FAX: (303) 778-4358

www.flatironsinc.com

EXHIBIT B

Vicinity Map



Vicinity Map
Not to Scale

North

EXHIBIT C

List of Interested Parties

List of Counties, Municipalities and Districts within 3-Mile Vicinity:

City and County of Broomfield

Northern Colorado Water

North Metro Fire

Regional Transportation District

Urban Drainage and Flood Control

Northwest MD No. 1

BURA – North Park

North Park MD No. 2

Anthem West MD

West Adams Soil Conservation District

BURA – North Park West

Highlands MD Nos. 1 and 2

Boulder Valley Soil

Left Hand Water

Seven25 MD

Northlands MD

Preble MD Nos. 2 and 3

Spruce Meadows MD

EXHIBIT D

Description of Facilities and Costs

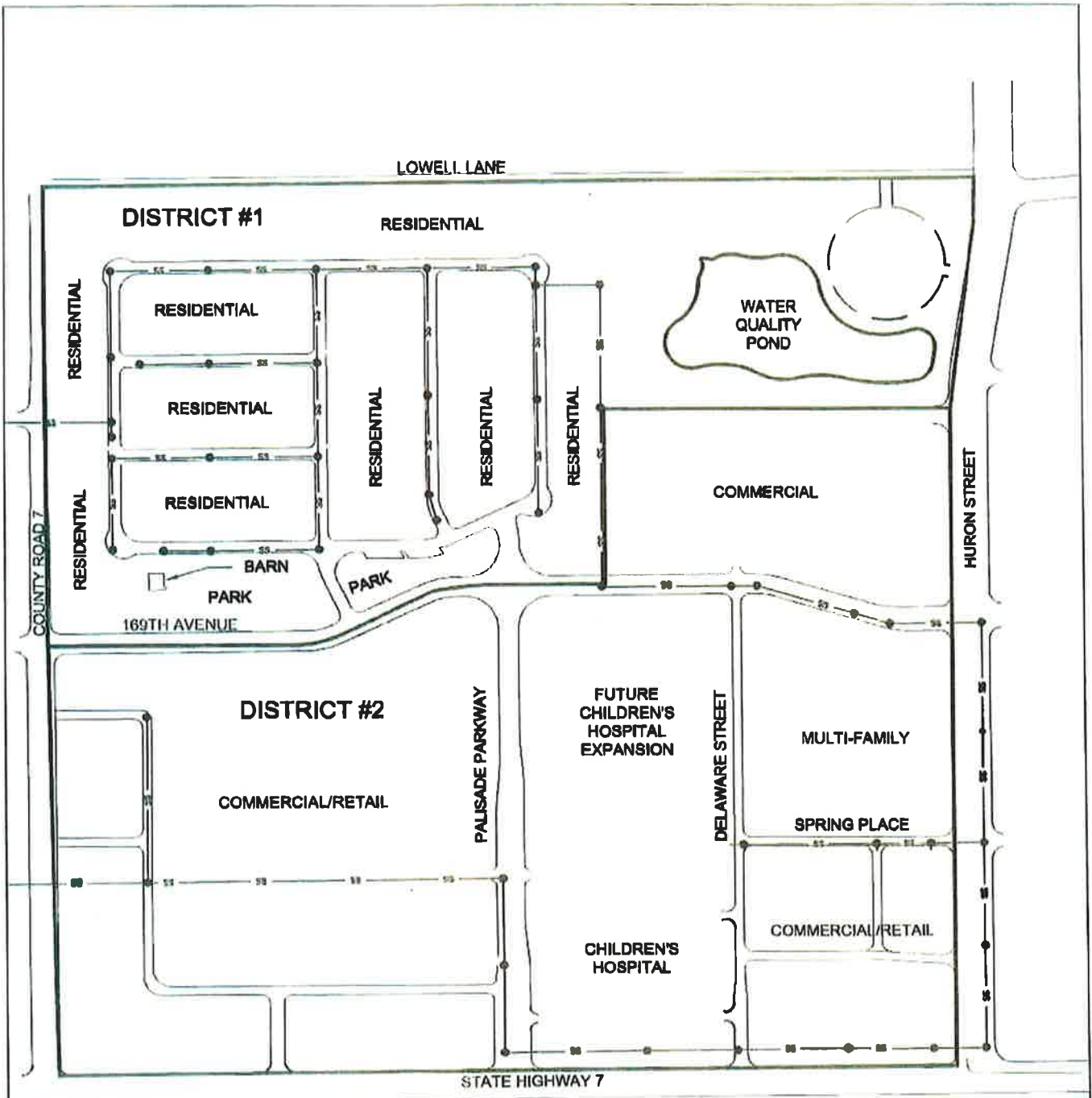
TIF Request

10/17/2014

| Description | Total Costs | | |
|-----------------------------------|-----------------------|---------------------------------|---------------------|
| | Projected Total Costs | Pro Rated Projected Total Costs | |
| | | District #1 SFR | District #2 Commc'l |
| Infrastructure Engineering | \$1,290,890 | \$140,707 | \$1,150,183 |
| Permits & Fees | \$977,664 | \$106,565 | \$871,099 |
| Subtotal Soft Costs | \$2,268,555 | \$247,272 | \$2,021,282 |
| Weld County Road 7 | \$2,342,047 | \$117,102 | \$2,224,945 |
| Huron Street | \$1,050,610 | \$52,530 | \$998,079 |
| State Highway 7 | \$2,038,134 | \$101,907 | \$1,936,227 |
| Pallsade Parkway | \$699,212 | \$34,961 | \$664,251 |
| West 169th Ave. | \$981,935 | \$49,097 | \$932,838 |
| Storm Drainage System | \$2,441,367 | \$266,109 | \$2,175,258 |
| Onsite Storm Water Detention | \$950,314 | \$103,584 | \$846,730 |
| Signalized Intersections | \$1,106,783 | \$55,339 | \$1,051,444 |
| Bury Overhead Wires | \$172,800 | \$86,400 | \$86,400 |
| Trails | \$0 | \$0 | \$0 |
| Internal Potable Water System | \$717,223 | \$194,367 | \$522,856 |
| Internal Reuse System | \$0 | \$0 | \$0 |
| Internal Sanitary Sewer System | \$412,183 | \$107,580 | \$304,603 |
| Monument Signage | \$1,195,325 | \$0 | \$1,195,325 |
| Gas/Oil Well Relocation | \$975,797 | \$487,899 | \$487,899 |
| Internal Streets - 100' ROW | \$2,715,380 | \$0 | \$2,715,380 |
| SH7 Median Contribution | \$350,000 | \$182,065 | \$167,935 |
| Pedestrian Underpass Contribution | \$1,000,000 | \$50,000 | \$950,000 |
| Dry Utilities | \$200,000 | \$21,800 | \$178,200 |
| Subtotal Improvements | \$19,349,110 | \$1,910,740 | \$17,438,370 |
| Miscellaneous | | | |
| Mobilization | \$37,591 | \$4,097 | \$33,494 |
| Survey | \$121,424 | \$13,235 | \$108,189 |
| Testing & Inspection | \$102,097 | \$11,129 | \$90,969 |
| Const Administration/Const Mgt | \$1,469,396 | \$160,164 | \$1,309,232 |
| Legal | \$517,881 | \$56,449 | \$461,432 |
| Barn Maint/Security | \$52,754 | \$5,750 | \$47,004 |
| Inlet Protection | \$0 | \$0 | \$0 |
| Seeding & Mulching | \$111,148 | \$12,115 | \$99,032 |
| Landscaping | \$2,272,100 | \$247,659 | \$2,024,441 |
| Contingency | \$0 | \$0 | \$0 |
| Subtotal Misc/Cont | \$4,684,392 | \$510,599 | \$4,173,793 |
| TOTAL | \$26,302,057 | \$2,668,612 | \$23,633,446 |

EXHIBIT E

Sanitation Improvements



LEGEND

- SANITARY SEWER LINE
- SANITARY SEWER MANHOLE



1437 LARIMER STREET
DENVER, CO 80202
(720) 260-6305

**PALISADE PARK
SANITARY SEWER EXHIBIT
SHEET 1 OF 1**

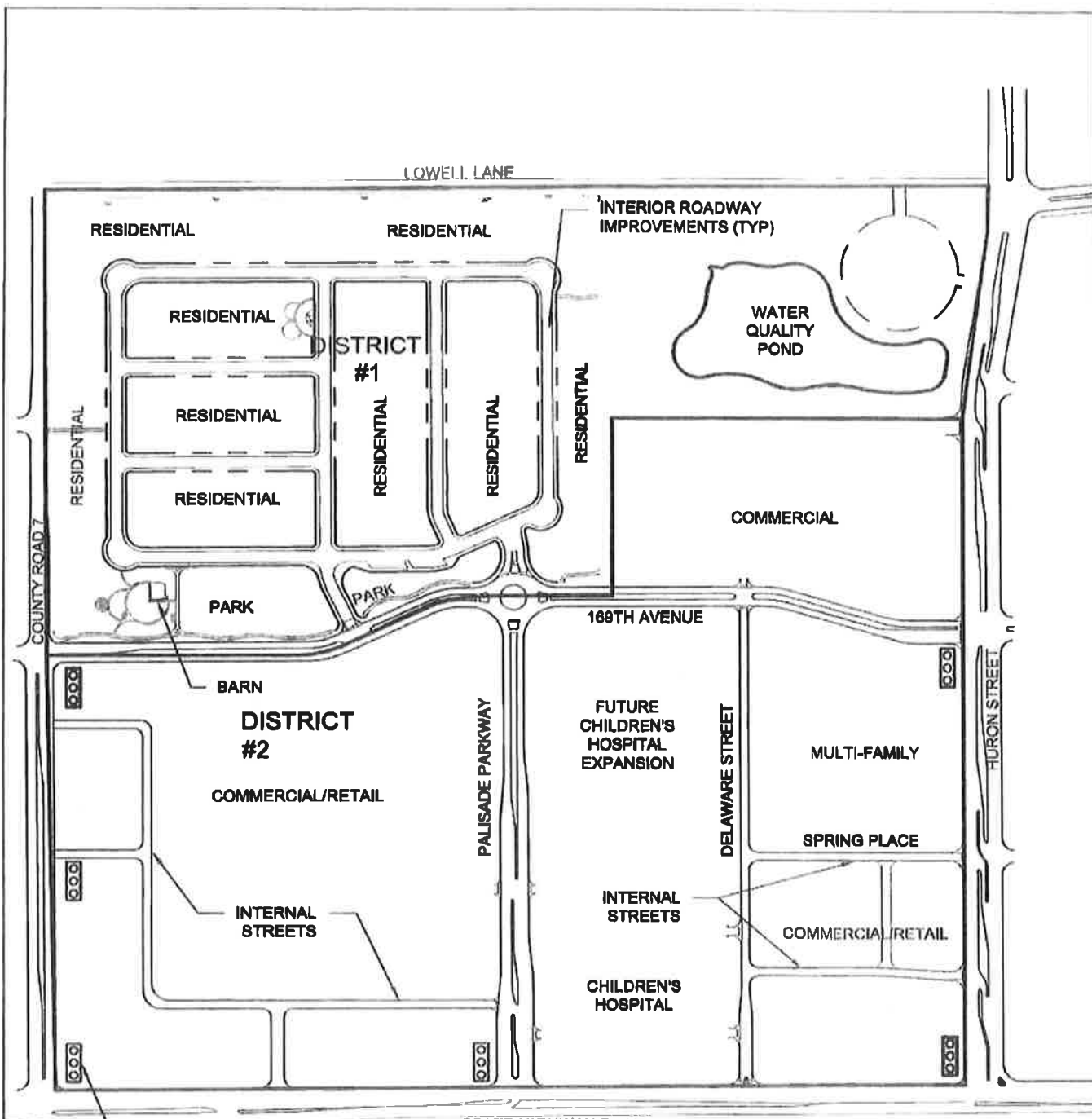
DATE: 4/16/2014
SCALE: 1" = 400'
BY: MGB

EXHIBIT F

Water Improvements

EXHIBIT G

Streets and Safety Protection Improvements



1437 LARIMER STREET
DENVER, CO 80202
(720) 260-8306

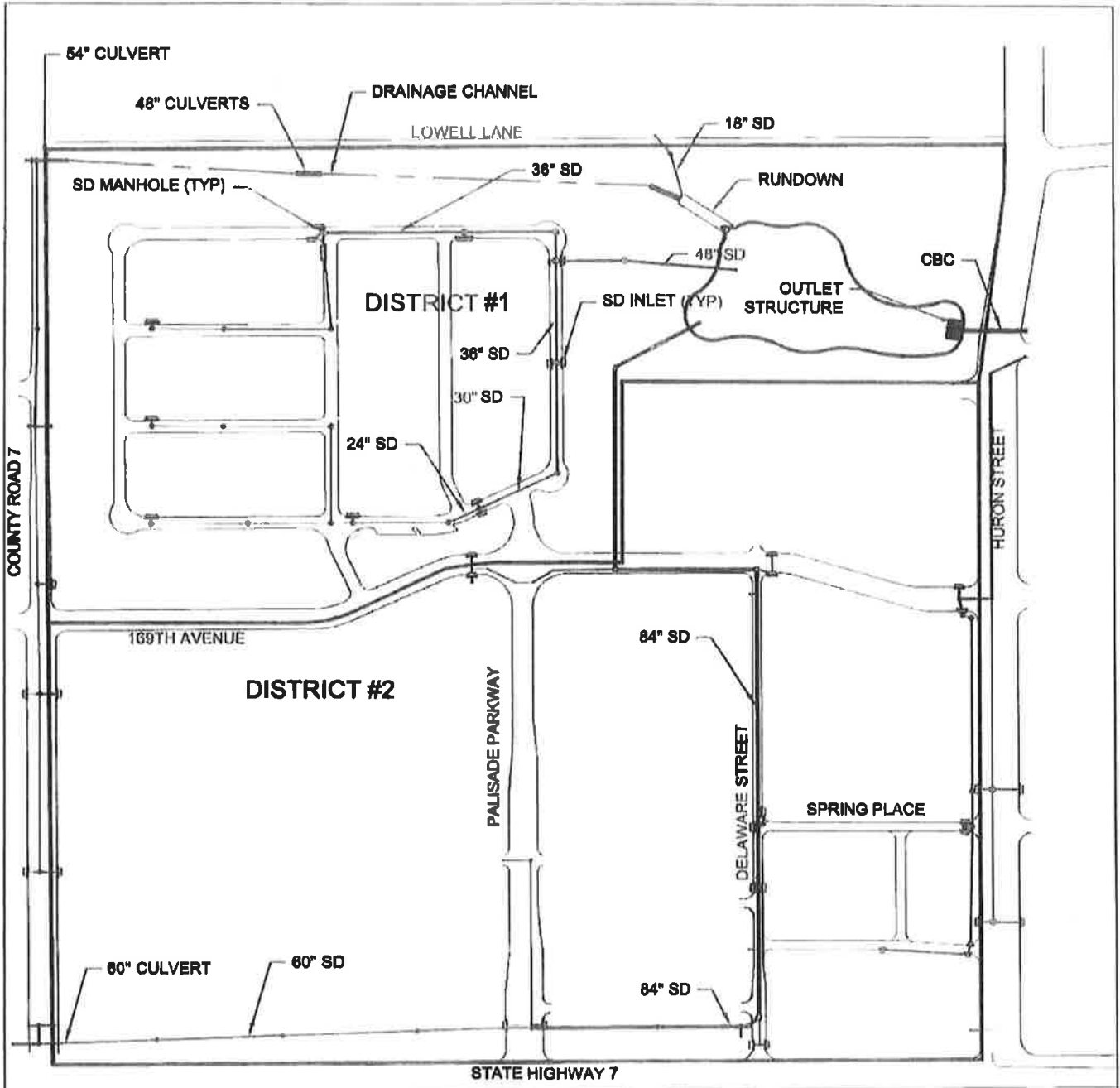
**PALISADE PARK
ROADWAY EXHIBIT
SHEET 1 OF 1**

DATE: 4/15/2014
SCALE: 1" = 400'
BY: MGB








EXHIBIT H

Drainage Improvements



LEGEND

-  DRAINAGE CHANNEL
-  STORM DRAIN PIPE (SD)
-  INLET
-  MANHOLE
-  BOX BASE MANHOLE
- CBC** CONCRETE BOX CULVERT



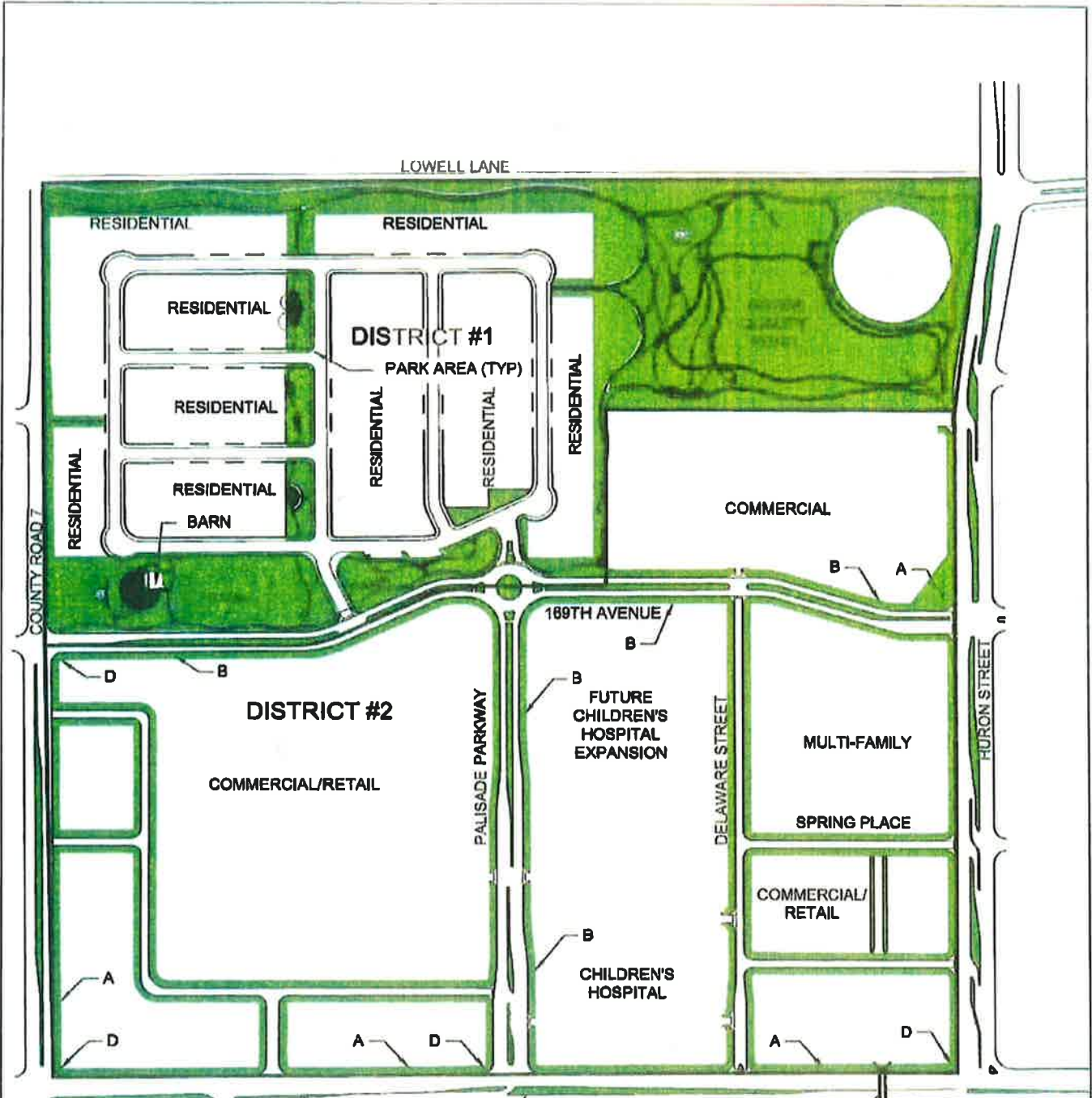
1437 LARIMER STREET
DENVER, CO 80202
(720) 280-8306

**PALISADE PARK
DRAINAGE EXHIBIT
SHEET 1 OF 1**

DATE: 04/15/2014
SCALE: 1" = 400'
BY: MGB

EXHIBIT I

Park and Recreation Improvements



- A DIRECTIONAL SIGN TYPE A
- B DIRECTIONAL SIGN TYPE B
- D PROJECT ENTRY SIGNAGE

MEDIAN CONTRIBUTION

STATE HIGHWAY 7
GRADE SEPARATED CROSSING



1437 LARIMER STREET
DENVER, CO 80202
(720) 280-8306

PALISADE PARK
LANDSCAPE EXHIBIT
SHEET 1 OF 1

DATE: 10/25/2013
SCALE: 1" = 400'
BY: MGB

EXHIBIT J

Financial Plan

PALISADE METROPOLITAN DISTRICT #1 (Residential)
Development Projection at \$5,000 (anyway) District Mills for Debt Service
Series 2016, G.O. Bonds, Non-Rated w/ Escrow Release, 1.25%, 30-yr. Maturity

| YEAR | Total Est. Units | Mill Value @ 2.5% | Reserve/Unit @ 2.5% | Cumulative Market Value | Actual Value @ 1.50% | Cumulative Market Value | Actual Value @ 25.00% | Actual Value @ 25.00% | Actual Value @ 25.00% | Total Assessed Value | District DB Mill Levy (\$5,000 Target) | District DB Mill Levy @ 30% | District S.O. Taxes Collected | Total Facility & Impact Fee Collections | Total S.E.F. Collections | U.P.A. Use Tax Collections | Director's share @ 30% | U.P.A. Base A.V. Mandatory reassessment | U.P.A. Base A.V. Mandatory reassessment @ 7% | U.P.A. Net Total Assessed Value | Total Revenue Available |
|-------|---------------------|----------------------|------------------------|----------------------------|-------------------------|----------------------------|--------------------------|--------------------------|--------------------------|----------------------------|--|-----------------------------------|-------------------------------------|--|--------------------------------|-------------------------------|---------------------------|---|---|--|-------------------------------|
| 2006 | 0 | \$5,552 | | | | | | | | \$0 | | \$0 | \$0 | \$0 | | | | | | \$0 | \$0 |
| 2009 | 0 | 5,552 | | | | | | | | 1,920 | | 0 | 0 | 0 | | | | | | 0 | 0 |
| 2010 | 0 | 5,310 | | | | | | | | 402,830 | | 0 | 0 | 0 | | | | | | 0 | 0 |
| 2011 | 0 | 5,310 | | | | | | | | 1,046,470 | | 0 | 0 | 0 | | | | | | 0 | 0 |
| 2012 | 0 | 6,759 | | | | | | | | 1,006,830 | | 0 | 0 | 0 | | | | | | 0 | 0 |
| 2013 | 0 | 583,807 | | | | | | | | 763,770 | | 0 | 0 | 0 | | | | | | 0 | 0 |
| 2014 | 17 | 5,881,885 | | | | | | | | 3,527,590 | | 14,674 | 880 | 119,136 | 17,000 | | 34,802 | | | 332,759 | 166,492 |
| 2015 | 48 | 22,045,712 | | | | | | | | 45,000 | | 21,069 | 1,264 | 336,384 | 48,000 | | 100,228 | | | 332,750 | 506,946 |
| 2016 | 48 | 440,914 | | | | | | | | 1,207,866 | | 53,267 | 3,196 | 336,384 | 48,000 | | 102,233 | | | 339,405 | 543,000 |
| 2017 | 48 | 56,202,656 | | | | | | | | 2,493,343 | | 109,959 | 6,597 | 336,384 | 48,000 | | 104,278 | | | 339,405 | 605,214 |
| 2018 | 0 | 1,124,053 | | | | | | | | 3,839,887 | | 169,339 | 10,160 | 0 | 0 | | 0 | | | 346,193 | 179,488 |
| 2019 | 0 | 57,265,709 | | | | | | | | 4,721,824 | | 208,232 | 12,494 | 0 | 0 | | 0 | | | 346,193 | 220,736 |
| 2020 | 0 | 1,146,534 | | | | | | | | 4,794,759 | | 211,449 | 12,687 | 0 | 0 | | 0 | | | 353,117 | 224,126 |
| 2021 | 0 | 1,169,465 | | | | | | | | 4,776,220 | | 210,719 | 12,643 | 0 | 0 | | 0 | | | 353,117 | 224,126 |
| 2022 | 0 | 1,169,465 | | | | | | | | 4,852,944 | | 214,015 | 12,841 | 0 | 0 | | 0 | | | 360,178 | 226,856 |
| 2023 | 0 | 1,192,854 | | | | | | | | 4,836,406 | | 213,285 | 12,797 | 0 | 0 | | 0 | | | 360,178 | 226,856 |
| 2024 | 0 | 1,192,854 | | | | | | | | 4,912,945 | | 218,661 | 13,000 | 0 | 0 | | 0 | | | 367,343 | 229,881 |
| 2025 | 0 | 1,216,711 | | | | | | | | 4,896,415 | | 215,932 | 12,956 | 0 | 0 | | 0 | | | 367,343 | 229,881 |
| 2026 | 0 | 1,216,711 | | | | | | | | 4,974,827 | | 219,380 | 13,163 | 0 | 0 | | 0 | | | 374,731 | 232,583 |
| 2027 | 0 | 1,241,045 | | | | | | | | 4,950,287 | | 218,660 | 13,120 | 0 | 0 | | 0 | | | 374,731 | 232,583 |
| 2028 | 0 | 1,265,868 | | | | | | | | 5,039,598 | | 222,202 | 13,332 | 0 | 0 | | 0 | | | 382,225 | 235,534 |
| 2029 | 0 | 1,265,868 | | | | | | | | 5,022,058 | | 221,473 | 13,289 | 0 | 0 | | 0 | | | 382,225 | 235,534 |
| 2030 | 0 | 1,291,184 | | | | | | | | 5,104,306 | | 225,100 | 13,506 | 0 | 0 | | 0 | | | 389,870 | 238,806 |
| 2031 | 0 | 1,317,007 | | | | | | | | 5,087,767 | | 224,371 | 13,462 | 0 | 0 | | 0 | | | 389,870 | 238,806 |
| 2032 | 0 | 1,343,348 | | | | | | | | 5,171,980 | | 228,085 | 13,686 | 0 | 0 | | 0 | | | 397,667 | 241,770 |
| 2033 | 0 | 1,343,348 | | | | | | | | 5,155,451 | | 227,355 | 13,641 | 0 | 0 | | 0 | | | 397,667 | 241,770 |
| 2034 | 0 | 1,370,214 | | | | | | | | 5,241,689 | | 231,159 | 13,870 | 0 | 0 | | 0 | | | 405,621 | 245,028 |
| 2035 | 0 | 1,370,214 | | | | | | | | 5,234,689 | | 231,159 | 13,870 | 0 | 0 | | 0 | | | 405,621 | 245,028 |
| 2036 | 0 | 1,397,619 | | | | | | | | 5,346,523 | | 235,782 | 14,147 | 0 | 0 | | 0 | | | 413,733 | 249,529 |
| 2037 | 0 | 1,397,619 | | | | | | | | 5,346,523 | | 235,782 | 14,147 | 0 | 0 | | 0 | | | 413,733 | 249,529 |
| 2038 | 0 | 1,425,571 | | | | | | | | 5,453,454 | | 240,497 | 14,430 | 0 | 0 | | 0 | | | 422,008 | 254,927 |
| 2039 | 0 | 1,425,571 | | | | | | | | 5,453,454 | | 240,497 | 14,430 | 0 | 0 | | 0 | | | 422,008 | 254,927 |
| 2040 | 0 | 1,454,083 | | | | | | | | 5,562,523 | | 245,307 | 14,718 | 0 | 0 | | 0 | | | 430,448 | 260,026 |
| 2041 | 0 | 1,454,083 | | | | | | | | 5,562,523 | | 245,307 | 14,718 | 0 | 0 | | 0 | | | 430,448 | 260,026 |
| 2042 | 0 | 1,481,211 | | | | | | | | 5,673,773 | | 250,213 | 15,013 | 0 | 0 | | 0 | | | 439,067 | 265,226 |
| 2043 | 0 | 1,481,211 | | | | | | | | 5,673,773 | | 250,213 | 15,013 | 0 | 0 | | 0 | | | 439,067 | 265,226 |
| 2044 | 0 | 1,511,184 | | | | | | | | 5,787,249 | | 255,218 | 15,313 | 0 | 0 | | 0 | | | 447,838 | 270,531 |
| 2045 | 0 | 1,511,184 | | | | | | | | 5,787,249 | | 255,218 | 15,313 | 0 | 0 | | 0 | | | 447,838 | 270,531 |
| TOTAL | 161 | 18,396,468 | | | | | | | | 6,561,585 | | 303,685 | 1,129,288 | 161,000 | 161,000 | 341,541 | 341,541 | 4,800,943 | 4,800,943 | 46,800,811 | 8,586,109 |

PA to 16 @ 0.00%
[*] Reserve ending balance over next 20yrs

PALISADE METROPOLITAN DISTRICT #1 (Residential)
Development Projection of 45,000 (Range) District Mills for Debt Service
Series 2015, G.O. Bonds, Non-Rated w/ Escrow Release, 1.20%, 30-yr. Maturity

| YEAR | Net Available for Debt Svc | Excess 2015 \$2,626,000 Per (Net \$3,200 Mill) Mill District Services | Annual Surplus | Surplus Release @ 30% DDA to 2015-2018 Target | Cumulative Surplus | Surplus Debt Assessed Ratio | Surplus Debt Assessed Ratio | Cost of Mill Svc @ 45,000 Mills |
|------|----------------------------|---|----------------|---|--------------------|-----------------------------|-----------------------------|---------------------------------|
| 2008 | 0 | 0 | 0 | 0 | 0 | 0% | 0% | 0.0% |
| 2009 | 0 | 0 | 0 | 0 | 0 | 0% | 0% | 0.0% |
| 2010 | 0 | 0 | 0 | 0 | 0 | 0% | 0% | 0.0% |
| 2011 | 0 | 0 | 0 | 0 | 0 | 0% | 0% | 0.0% |
| 2012 | 0 | 0 | 0 | 0 | 0 | 0% | 0% | 0.0% |
| 2013 | 0 | 0 | 0 | 0 | 0 | 0% | 0% | 0.0% |
| 2014 | 0 | 0 | 0 | 0 | 0 | 0% | 0% | 0.0% |
| 2015 | 506,946 | \$0 | 506,946 | 0 | 506,946 | 50% | 50% | 11% |
| 2016 | 543,080 | 157,057 | 386,023 | 630,488 | 262,500 | 217% | 217% | 315.2% |
| 2017 | 605,214 | 157,057 | 448,156 | 448,156 | 262,500 | 105% | 105% | 354.8% |
| 2018 | 179,489 | 157,057 | 22,442 | 22,442 | 262,500 | 69% | 69% | 114.3% |
| 2019 | 228,726 | 182,057 | 38,669 | 38,669 | 262,500 | 96% | 96% | 121.2% |
| 2020 | 224,136 | 185,557 | 38,579 | 38,579 | 262,500 | 54% | 54% | 120.8% |
| 2021 | 223,363 | 183,757 | 39,605 | 39,605 | 262,500 | 54% | 54% | 121.6% |
| 2022 | 226,856 | 186,957 | 39,899 | 39,899 | 262,500 | 52% | 52% | 121.3% |
| 2023 | 226,063 | 184,857 | 41,225 | 41,225 | 262,500 | 52% | 52% | 122.3% |
| 2024 | 229,661 | 187,757 | 41,904 | 41,904 | 262,500 | 50% | 50% | 122.3% |
| 2025 | 228,888 | 190,357 | 38,531 | 38,531 | 262,500 | 50% | 50% | 120.2% |
| 2026 | 232,553 | 192,657 | 39,896 | 39,896 | 262,500 | 48% | 48% | 120.7% |
| 2027 | 231,780 | 189,657 | 42,123 | 42,123 | 262,500 | 47% | 47% | 122.2% |
| 2028 | 235,534 | 191,657 | 43,877 | 43,877 | 262,500 | 45% | 45% | 122.9% |
| 2029 | 234,761 | 193,357 | 41,404 | 41,404 | 262,500 | 44% | 44% | 121.4% |
| 2030 | 238,606 | 194,757 | 43,849 | 43,849 | 262,500 | 43% | 43% | 122.5% |
| 2031 | 237,833 | 195,857 | 41,976 | 41,976 | 262,500 | 41% | 41% | 121.4% |
| 2032 | 241,770 | 198,657 | 45,113 | 45,113 | 262,500 | 39% | 39% | 122.8% |
| 2033 | 240,997 | 197,157 | 43,840 | 43,840 | 262,500 | 36% | 36% | 122.2% |
| 2034 | 245,028 | 202,357 | 42,671 | 42,671 | 262,500 | 36% | 36% | 121.1% |
| 2035 | 245,028 | 201,957 | 43,071 | 43,071 | 262,500 | 34% | 34% | 121.3% |
| 2036 | 249,929 | 206,257 | 43,671 | 43,671 | 262,500 | 32% | 32% | 121.2% |
| 2037 | 249,929 | 204,957 | 44,971 | 44,971 | 262,500 | 30% | 30% | 121.9% |
| 2038 | 254,927 | 208,357 | 46,570 | 46,570 | 262,500 | 27% | 27% | 122.4% |
| 2039 | 254,927 | 211,157 | 43,770 | 43,770 | 262,500 | 25% | 25% | 120.7% |
| 2040 | 260,026 | 213,357 | 46,668 | 46,668 | 262,500 | 22% | 22% | 121.9% |
| 2041 | 260,026 | 214,957 | 45,068 | 45,068 | 262,500 | 20% | 20% | 121.0% |
| 2042 | 265,226 | 220,957 | 44,269 | 44,269 | 262,500 | 17% | 17% | 120.0% |
| 2043 | 265,226 | 216,057 | 49,169 | 49,169 | 262,500 | 14% | 14% | 122.8% |
| 2044 | 270,531 | 220,357 | 49,674 | 49,674 | 262,500 | 10% | 10% | 122.5% |
| 2045 | 270,531 | 223,357 | 47,174 | 308,674 | 0 | 7% | 7% | 121.1% |
| | 8,398,617 | 5,868,816 | 2,530,801 | 2,530,801 | | | | |
| | 3,742,287 | | | 1,794,279 | | | | |

Row 2034 (15) = 0

PALISADE METROPOLITAN DISTRICT #1 (Residential)
Operations Revenue and Expense Projection

| YEAR | Total Assessed Value | Open/In Rate Levy | Total Collections @ 3% | S.O. Taxes Collected @ 5% | Total Available For O&M | Total MIS |
|------|----------------------------|----------------------|------------------------------|---------------------------------|-------------------------------|--------------|
| 2008 | 1,820 | 45,000 | 85 | 5 | 90 | 45,000 |
| 2009 | 402,630 | 45,000 | 17,756 | 1,065 | 18,821 | 45,000 |
| 2010 | 1,048,080 | 45,000 | 48,220 | 2,773 | 48,994 | 45,000 |
| 2011 | 1,010,370 | 45,000 | 44,567 | 2,673 | 47,231 | 45,000 |
| 2012 | 763,710 | 45,000 | 33,680 | 2,021 | 35,700 | 45,000 |
| 2013 | 332,790 | 10,000 | 3,261 | 199 | 3,457 | 55,000 |
| 2014 | 477,754 | 10,000 | 4,682 | 281 | 4,963 | 55,000 |
| 2015 | 1,207,866 | 10,000 | 11,837 | 710 | 12,547 | 55,000 |
| 2016 | 2,483,303 | 10,000 | 24,434 | 1,468 | 25,900 | 55,000 |
| 2017 | 3,639,387 | 10,000 | 37,631 | 2,258 | 39,889 | 55,000 |
| 2018 | 4,721,824 | 10,000 | 46,274 | 2,776 | 49,050 | 55,000 |
| 2019 | 4,794,759 | 10,000 | 46,989 | 2,819 | 49,808 | 55,000 |
| 2020 | 4,778,220 | 10,000 | 46,827 | 2,810 | 49,636 | 55,000 |
| 2021 | 4,852,944 | 10,000 | 47,569 | 2,854 | 50,412 | 55,000 |
| 2022 | 4,838,405 | 10,000 | 47,397 | 2,844 | 50,241 | 55,000 |
| 2023 | 4,912,955 | 10,000 | 48,147 | 2,889 | 51,036 | 55,000 |
| 2024 | 4,886,415 | 10,000 | 47,985 | 2,878 | 50,864 | 55,000 |
| 2025 | 4,974,827 | 10,000 | 48,753 | 2,925 | 51,679 | 55,000 |
| 2026 | 4,958,287 | 10,000 | 48,581 | 2,915 | 51,507 | 55,000 |
| 2027 | 5,038,598 | 10,000 | 49,378 | 2,963 | 52,341 | 55,000 |
| 2028 | 5,022,058 | 10,000 | 49,216 | 2,953 | 52,169 | 55,000 |
| 2029 | 5,104,306 | 10,000 | 50,022 | 3,001 | 53,024 | 55,000 |
| 2030 | 5,087,767 | 10,000 | 49,860 | 2,992 | 52,852 | 55,000 |
| 2031 | 5,171,580 | 10,000 | 50,686 | 3,041 | 53,727 | 55,000 |
| 2032 | 5,155,451 | 10,000 | 50,523 | 3,031 | 53,555 | 55,000 |
| 2033 | 5,241,890 | 10,000 | 51,369 | 3,082 | 54,451 | 55,000 |
| 2034 | 5,241,890 | 10,000 | 51,369 | 3,082 | 54,451 | 55,000 |
| 2035 | 5,346,523 | 10,000 | 52,336 | 3,144 | 55,540 | 55,000 |
| 2036 | 5,346,523 | 10,000 | 52,336 | 3,144 | 55,540 | 55,000 |
| 2037 | 5,453,454 | 10,000 | 53,444 | 3,207 | 56,650 | 55,000 |
| 2038 | 5,453,454 | 10,000 | 53,444 | 3,207 | 56,650 | 55,000 |
| 2039 | 5,562,523 | 10,000 | 54,513 | 3,271 | 57,783 | 55,000 |
| 2040 | 5,562,523 | 10,000 | 54,513 | 3,271 | 57,783 | 55,000 |
| 2041 | 5,673,773 | 10,000 | 55,603 | 3,338 | 58,939 | 55,000 |
| 2042 | 5,673,773 | 10,000 | 55,603 | 3,338 | 58,939 | 55,000 |
| 2043 | 5,787,249 | 10,000 | 56,715 | 3,403 | 60,118 | 55,000 |
| 2044 | 5,787,249 | 10,000 | 56,715 | 3,403 | 60,118 | 55,000 |
| 2045 | 5,787,249 | 10,000 | 56,715 | 3,403 | 60,118 | 55,000 |
| | | | 1,890,428 | 96,026 | 1,986,454 | |

PALISADE METROPOLITAN DISTRICT #1 (Residential)

Development Projection – Buildout Plan (updated 4/25/14)

(Assessed Value directed into District #2 URA Revenues)

| YEAR | Residential Development | | | | Residential Summary | | | | | | |
|------|-------------------------|--|----------------------|----------------------------|---------------------|--------------------------------------|---------------------|--|--|--|----------------|
| | # Lots Devel'd | Incr/(Decr) In Finished Lot Value @ 10% | # Units Completed | Price Initiated @ 2% | Market Value | Total Residential Market Value | Total Res1 Units | Total Res1 Facility Fees @ \$/unit | U.R.A. Use Tax @ 35.0% of MV @ 3.50% | Value of Platted & Developed Lots Adjustment 1 | Adjusted Value |
| 2008 | 0 | 0 | 0 | \$327,875 | 0 | \$0 | 0 | 0 | 0 | 5,552 | 5,552 |
| 2009 | 0 | 0 | 0 | 327,875 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2010 | 0 | 0 | 0 | 327,875 | 0 | 0 | 0 | 0 | 0 | (242) | (242) |
| 2011 | 0 | 0 | 0 | 327,875 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2012 | 0 | 0 | 0 | 327,875 | 0 | 0 | 0 | 0 | 0 | 1,449 | 1,449 |
| 2013 | 17 | 557,048 | 0 | 327,875 | 0 | 0 | 0 | 0 | 0 | 0 | 557,048 |
| 2014 | 48 | 1,015,793 | 17 | 334,229 | 5,681,885 | 5,681,885 | 17 | 0 | 69,603 | (714) | 1,015,079 |
| 2015 | 48 | 0 | 48 | 340,913 | 16,363,827 | 16,363,827 | 48 | 0 | 200,457 | (2,015) | (2,015) |
| 2016 | 48 | 0 | 48 | 347,731 | 16,691,104 | 16,691,104 | 48 | 0 | 204,466 | (2,015) | (2,015) |
| 2017 | 0 | (1,572,840) | 48 | 354,686 | 17,024,926 | 17,024,926 | 48 | 0 | 208,555 | (2,015) | (1,574,855) |
| 2018 | 0 | 0 | 0 | 361,780 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2019 | 0 | 0 | 0 | 369,015 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2020 | 0 | 0 | 0 | 376,396 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2021 | 0 | 0 | 0 | 383,923 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2022 | 0 | 0 | 0 | 391,602 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2023 | 0 | 0 | 0 | 399,434 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2024 | 0 | 0 | 0 | 407,423 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2025 | 0 | 0 | 0 | 415,571 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2026 | 0 | 0 | 0 | 423,883 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2027 | 0 | 0 | 0 | 432,960 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2028 | 0 | 0 | 0 | 441,007 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 161 | (0) | 161 | | 55,761,742 | 55,761,742 | 161 | 0 | 683,081 | (0) | (0) |

[1] Adj. to actual/prelim AV

SOURCES AND USES OF FUNDS

**PALISADE METROPOLITAN DISTRICT #1 (Residential)
 GENERAL OBLIGATION BONDS, SERIES 2015
 120x, 45.000 Mill Cap for Debt Service
 Non-Rated w/ Escrow Release, 2045 Final Maturity
 [Preliminary – for discussion only]**

Dated Date 12/01/2015
 Delivery Date 12/01/2015

Sources:

| | |
|-----------------------|---------------------|
| Bond Proceeds: | |
| Par Amount | 2,625,000.00 |
| | 2,625,000.00 |

Uses:

| | |
|--------------------------------|---------------------|
| Project Fund Deposits: | |
| Project Fund (Restricted*) | 2,298,600.00 |
| Other Fund Deposits: | |
| Debt Service Reserve Fund | 221,400.00 |
| Delivery Date Expenses: | |
| Cost of Issuance | 105,000.00 |
| | 2,625,000.00 |

Note: [*] Escrow Releases @ C.O.; Refer to Schedule.

BOND SUMMARY STATISTICS

**PALISADE METROPOLITAN DISTRICT #1 (Residential)
GENERAL OBLIGATION BONDS, SERIES 2015
120x, 45.000 Mill Cap for Debt Service
Non-Rated w/ Escrow Release, 2045 Final Maturity
[Preliminary -- for discussion only]**

| | |
|---------------------------------|---------------|
| Dated Date | 12/01/2015 |
| Delivery Date | 12/01/2015 |
| First Coupon | 06/01/2016 |
| Last Maturity | 12/01/2045 |
| Arbitrage Yield | 6.000000% |
| True Interest Cost (TIC) | 6.000000% |
| Net Interest Cost (NIC) | 6.000000% |
| All-In TIC | 6.352991% |
| Average Coupon | 6.000000% |
| Average Life (years) | 22.086 |
| Duration of Issue (years) | 12.042 |
| Par Amount | 2,625,000.00 |
| Bond Proceeds | 2,625,000.00 |
| Total Interest | 3,478,500.00 |
| Net Interest | 3,478,500.00 |
| Bond Years from Dated Date | 57,975,000.00 |
| Bond Years from Delivery Date | 57,975,000.00 |
| Total Debt Service | 6,103,500.00 |
| Maximum Annual Debt Service | 445,200.00 |
| Average Annual Debt Service | 203,450.00 |
| Underwriter's Fees (per \$1000) | |
| Average Takedown | |
| Other Fee | |
| Total Underwriter's Discount | |
| Bid Price | 100.000000 |

| Bond Component | Par Value | Price | Average Coupon | Average Life | Average Maturity Date | PV of 1 bp change |
|--------------------|--------------|---------|----------------|--------------|-----------------------|-------------------|
| Term Bond due 2045 | 2,625,000.00 | 100.000 | 6.000% | 22.086 | 12/31/2037 | 3,648.75 |
| | 2,625,000.00 | | | 22.086 | | 3,648.75 |

| | TIC | All-In TIC | Arbitrage Yield |
|----------------------------|--------------|--------------|-----------------|
| Par Value | 2,625,000.00 | 2,625,000.00 | 2,625,000.00 |
| + Accrued Interest | | | |
| + Premium (Discount) | | | |
| - Underwriter's Discount | | | |
| - Cost of Issuance Expense | | -105,000.00 | |
| - Other Amounts | | | |
| Target Value | 2,625,000.00 | 2,520,000.00 | 2,625,000.00 |
| Target Date | 12/01/2015 | 12/01/2015 | 12/01/2015 |
| Yield | 6.000000% | 6.352991% | 6.000000% |

BOND DEBT SERVICE

**PALISADE METROPOLITAN DISTRICT #1 (Residential)
GENERAL OBLIGATION BONDS, SERIES 2015
120x, 45,000 Mill Cap for Debt Service
Non-Rated w/ Escrow Release, 2045 Final Maturity
[Preliminary -- for discussion only]**

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|---------------|-----------|--------|-----------|--------------|---------------------|
| 06/01/2016 | | | 78,750 | 78,750 | |
| 12/01/2016 | | | 78,750 | 78,750 | 157,500 |
| 06/01/2017 | | | 78,750 | 78,750 | |
| 12/01/2017 | | | 78,750 | 78,750 | 157,500 |
| 06/01/2018 | | | 78,750 | 78,750 | |
| 12/01/2018 | | | 78,750 | 78,750 | 157,500 |
| 06/01/2019 | | | 78,750 | 78,750 | |
| 12/01/2019 | 25,000 | 6.000% | 78,750 | 103,750 | 182,500 |
| 06/01/2020 | | | 78,000 | 78,000 | |
| 12/01/2020 | 30,000 | 6.000% | 78,000 | 108,000 | 186,000 |
| 06/01/2021 | | | 77,100 | 77,100 | |
| 12/01/2021 | 30,000 | 6.000% | 77,100 | 107,100 | 184,200 |
| 06/01/2022 | | | 76,200 | 76,200 | |
| 12/01/2022 | 35,000 | 6.000% | 76,200 | 111,200 | 187,400 |
| 06/01/2023 | | | 75,150 | 75,150 | |
| 12/01/2023 | 35,000 | 6.000% | 75,150 | 110,150 | 185,300 |
| 06/01/2024 | | | 74,100 | 74,100 | |
| 12/01/2024 | 40,000 | 6.000% | 74,100 | 114,100 | 188,200 |
| 06/01/2025 | | | 72,900 | 72,900 | |
| 12/01/2025 | 45,000 | 6.000% | 72,900 | 117,900 | 190,800 |
| 06/01/2026 | | | 71,550 | 71,550 | |
| 12/01/2026 | 50,000 | 6.000% | 71,550 | 121,550 | 193,100 |
| 06/01/2027 | | | 70,050 | 70,050 | |
| 12/01/2027 | 50,000 | 6.000% | 70,050 | 120,050 | 190,100 |
| 06/01/2028 | | | 68,550 | 68,550 | |
| 12/01/2028 | 55,000 | 6.000% | 68,550 | 123,550 | 192,100 |
| 06/01/2029 | | | 66,900 | 66,900 | |
| 12/01/2029 | 60,000 | 6.000% | 66,900 | 126,900 | 193,800 |
| 06/01/2030 | | | 65,100 | 65,100 | |
| 12/01/2030 | 65,000 | 6.000% | 65,100 | 130,100 | 195,200 |
| 06/01/2031 | | | 63,150 | 63,150 | |
| 12/01/2031 | 70,000 | 6.000% | 63,150 | 133,150 | 196,300 |
| 06/01/2032 | | | 61,050 | 61,050 | |
| 12/01/2032 | 75,000 | 6.000% | 61,050 | 136,050 | 197,100 |
| 06/01/2033 | | | 58,800 | 58,800 | |
| 12/01/2033 | 80,000 | 6.000% | 58,800 | 138,800 | 197,600 |
| 06/01/2034 | | | 56,400 | 56,400 | |
| 12/01/2034 | 90,000 | 6.000% | 56,400 | 146,400 | 202,600 |
| 06/01/2035 | | | 53,700 | 53,700 | |
| 12/01/2035 | 95,000 | 6.000% | 53,700 | 148,700 | 202,400 |
| 06/01/2036 | | | 50,850 | 50,850 | |
| 12/01/2036 | 105,000 | 6.000% | 50,850 | 155,850 | 208,700 |
| 06/01/2037 | | | 47,700 | 47,700 | |
| 12/01/2037 | 110,000 | 6.000% | 47,700 | 157,700 | 205,400 |
| 06/01/2038 | | | 44,400 | 44,400 | |
| 12/01/2038 | 120,000 | 6.000% | 44,400 | 164,400 | 208,800 |
| 06/01/2039 | | | 40,800 | 40,800 | |
| 12/01/2039 | 130,000 | 6.000% | 40,800 | 170,800 | 211,600 |
| 06/01/2040 | | | 36,900 | 36,900 | |
| 12/01/2040 | 140,000 | 6.000% | 36,900 | 176,900 | 213,800 |
| 06/01/2041 | | | 32,700 | 32,700 | |
| 12/01/2041 | 150,000 | 6.000% | 32,700 | 182,700 | 215,400 |
| 06/01/2042 | | | 28,200 | 28,200 | |
| 12/01/2042 | 165,000 | 6.000% | 28,200 | 193,200 | 221,400 |
| 06/01/2043 | | | 23,250 | 23,250 | |
| 12/01/2043 | 170,000 | 6.000% | 23,250 | 193,250 | 216,500 |
| 06/01/2044 | | | 18,150 | 18,150 | |
| 12/01/2044 | 185,000 | 6.000% | 18,150 | 203,150 | 221,300 |
| 06/01/2045 | | | 12,600 | 12,600 | |
| 12/01/2045 | 420,000 | 6.000% | 12,600 | 432,600 | 445,200 |
| | 2,625,000 | | 3,478,500 | 6,103,500 | 6,103,500 |

NET DEBT SERVICE

**PALISADE METROPOLITAN DISTRICT #1 (Residential)
 GENERAL OBLIGATION BONDS, SERIES 2015
 120x, 45.000 Mill Cap for Debt Service
 Non-Rated w/ Escrow Release, 2046 Final Maturity
 [Preliminary -- for discussion only]**

| Period Ending | Principal | Interest | Total Debt Service | Debt Service Reserve Fund | Capitalized Interest Fund | Net Debt Service |
|----------------------|------------------|------------------|---------------------------|----------------------------------|----------------------------------|-------------------------|
| 12/01/2016 | | 157,500 | 157,500 | -221.40 | -221.40 | 157,057.20 |
| 12/01/2017 | | 157,500 | 157,500 | -442.80 | | 157,057.20 |
| 12/01/2018 | | 157,500 | 157,500 | -442.80 | | 157,057.20 |
| 12/01/2019 | 25,000 | 157,500 | 182,500 | -442.80 | | 182,057.20 |
| 12/01/2020 | 30,000 | 158,000 | 188,000 | -442.80 | | 185,557.20 |
| 12/01/2021 | 30,000 | 154,200 | 184,200 | -442.80 | | 183,757.20 |
| 12/01/2022 | 35,000 | 152,400 | 187,400 | -442.80 | | 186,957.20 |
| 12/01/2023 | 35,000 | 150,300 | 185,300 | -442.80 | | 184,857.20 |
| 12/01/2024 | 40,000 | 148,200 | 188,200 | -442.80 | | 187,757.20 |
| 12/01/2025 | 45,000 | 145,800 | 190,800 | -442.80 | | 190,357.20 |
| 12/01/2026 | 50,000 | 143,100 | 193,100 | -442.80 | | 192,657.20 |
| 12/01/2027 | 50,000 | 140,100 | 190,100 | -442.80 | | 189,657.20 |
| 12/01/2028 | 55,000 | 137,100 | 192,100 | -442.80 | | 191,657.20 |
| 12/01/2029 | 60,000 | 133,800 | 193,800 | -442.80 | | 193,357.20 |
| 12/01/2030 | 65,000 | 130,200 | 195,200 | -442.80 | | 194,757.20 |
| 12/01/2031 | 70,000 | 126,300 | 196,300 | -442.80 | | 195,857.20 |
| 12/01/2032 | 75,000 | 122,100 | 197,100 | -442.80 | | 196,657.20 |
| 12/01/2033 | 80,000 | 117,600 | 197,600 | -442.80 | | 197,157.20 |
| 12/01/2034 | 80,000 | 112,800 | 202,800 | -442.80 | | 202,357.20 |
| 12/01/2035 | 95,000 | 107,400 | 202,400 | -442.80 | | 201,957.20 |
| 12/01/2036 | 105,000 | 101,700 | 206,700 | -442.80 | | 206,257.20 |
| 12/01/2037 | 110,000 | 95,400 | 205,400 | -442.80 | | 204,957.20 |
| 12/01/2038 | 120,000 | 88,800 | 208,800 | -442.80 | | 208,357.20 |
| 12/01/2039 | 130,000 | 81,600 | 211,600 | -442.80 | | 211,157.20 |
| 12/01/2040 | 140,000 | 73,800 | 213,800 | -442.80 | | 213,357.20 |
| 12/01/2041 | 150,000 | 65,400 | 215,400 | -442.80 | | 214,957.20 |
| 12/01/2042 | 165,000 | 56,400 | 221,400 | -442.80 | | 220,957.20 |
| 12/01/2043 | 170,000 | 46,500 | 216,500 | -442.80 | | 216,057.20 |
| 12/01/2044 | 185,000 | 36,300 | 221,300 | -442.80 | | 220,857.20 |
| 12/01/2045 | 420,000 | 25,200 | 445,200 | -221,842.80 | | 223,357.20 |
| | 2,625,000 | 3,478,500 | 6,103,500 | -234,462.60 | -221.40 | 5,868,816.00 |