

SERVICE PLAN
FOR
JOHNSTOWN PLAZA METROPOLITAN DISTRICT
TOWN OF JOHNSTOWN, COLORADO

Prepared by:

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on Behalf of Johnstown Plaza, LLC

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I. INTRODUCTION

A. Purpose and Intent.

The proposed Johnstown Plaza Metropolitan District (the “District”) is an independent unit of local government, separate and distinct from the Town of Johnstown (the “Town”) and, except as may otherwise be provided for by State or local law or this Service Plan, the District’s activities are subject to review by the Town only insofar as they may deviate in a material manner from the requirements of the Service Plan, Town Code, or the intergovernmental agreements to be entered into between the Town and the District. It is intended that the District will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance and operate and maintain the construction of these Public Improvements.

The District will provide ongoing operations and maintenance services as set forth in this Service Plan and pursuant to an Operations and Maintenance Intergovernmental Agreement.

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, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible. Formation of the District and the completion of the Project will necessitate exclusion from the existing Thompson Crossing Metropolitan District No. 2, in addition to the formation of this new District.

C. Objective of the Town Regarding District’s Service Plan.

The Town’s objective in approving the Service Plan for the District 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 to be issued by the District. All Debt is expected to be repaid by revenues resulting from a 2.00% Credit Public Improvement Fee (“CPIF”) and a 2.5% Add-on Public Improvement Fee (“Add-on PIF”) anticipated to be assigned to the District, as well as other legally available revenues of the District more particularly described herein. The Debt to be issued, as further described in the Financial Plan, will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

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. Costs of required Public Improvements that cannot be financed by the District are expected to be financed by the Developer of the Project.

II. DEFINITIONS

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

Add-on PIF: means the component of the PIF which will be set at a rate not to exceed two and one-half percent (2.50%) in accordance with the terms and conditions of the Development and Financing Agreement and which will be applied to Taxable Transactions before the calculation of applicable sales taxes, but which is not offset by a Sales Tax Credit.

Add-on PIF Revenues: means the revenues generated from imposition and collection of the Add-on PIF pursuant to the terms of this Service Plan, and other agreements.

Add-on PIF Sale(s): means the following transactions which are subject to the Add-on PIF pursuant to this Service Plan, and other agreements: (i) any exchange of goods or services for money or other media of exchange initiated, consummated, conducted, transacted or otherwise occurring from or within any portion of the District which are subject to the Sales Tax; (ii) any additional transactions that the Johnstown Plaza PIC, if organized and operating, or District expressly includes within the definition of Add-on PIF Sales in the guidelines established by it from time to time, but not including (iii) any transactions that the Johnstown Plaza PIC or District with the approval of the Town Council, expressly excludes from the definition of Add-on PIF Sales in the guidelines established by it for the Add-on PIF from time to time.

Add-on PIF Termination Date: means the later of the date that all Debt, other financial obligations, and operations of the District that are payable from Add-on PIF Revenues have been paid or discharged, or the District and the Town agree in writing to terminate the Add-on PIF. As of the date of this Service Plan, it is expected that the Add-on PIF will exist in perpetuity to provide revenue to support improvements and services for the continued vitality of the Service Area and the businesses therein.

Approved Development Plan: means a development plan or other process established by the Town (including but not limited to approval of a preliminary development plan, preliminary or final plat, minor development plat or site plan by the Town Planning and Zoning Commission or by the Town Council) for identifying, among other things, Public Improvements necessary for facilitating development for property within the Service Area as approved by the Town pursuant to the Town Code and as amended pursuant to the Town Code from time to time.

Board: means the Board of Directors of the Johnstown Plaza Metropolitan District.

Bond, Bonds or Debt: means bonds, notes, contracts, or other multiple fiscal year financial obligations. The payment of Debt may be made with the proceeds of the CPIF and Add-on PIF and such other revenues as are approved by the Board. The CPIF Revenues will not be pledged for payment of any Debt in any year when the Add-on PIF Revenues have not been pledged; and the CPIF Revenues will only be available to be pledged as allowed by the terms of the Development and Financing Agreement.

Bond Counsel: means counsel to the District of national recognition in the field of tax-exempt obligations and public finance.

Capital Plan: means the Capital Plan described in Section V.B. 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.

Covenant Enforcement and Design Review Services: means those services authorized under Section 32-1-1004(8), C.R.S.

Credit PIF or CPIF: means the component of the PIF that is set at the rate of two percent (2.00%) which, when applied to Taxable Transactions occurring during the Credit PIF Period, will result in an offsetting credit against the Sales Tax obligation, as set forth in the Sales Tax Code Amendment and pursuant to the terms of the Development and Financing Agreement.

Credit PIF Period: means the period during which the Sales Tax Credit is in effect as provided in the Sales Tax Code Amendment and as provided in the Development and Financing Agreement.

Credit PIF Revenues: means that portion of the PIF Revenues derived from imposition of the Credit PIF, which revenues are to be received and utilized by the District pursuant to the terms and conditions of the Development and Financing Agreement with the Town and other agreements.

Credit PIF Sale(s): means any exchange of goods or services for money or other media of exchange initiated, consummated, conducted, transacted or otherwise occurring from or within any portion of the District which are subject to the Sales Tax.

Credit PIF Termination Date: means the date on which the Credit PIF will terminate as provided in the Development and Financing Agreement.

Debt: See Bond, Bonds or Debt.

Declarant: means the declarant of covenants recorded against Johnstown Plaza imposing the Add-on PIF and other terms. The Declarant may be the Developer or other entity as approved by Developer. In the event the District is the beneficiary of the declaration, the covenants will include provisions for Covenant Enforcement and Design Review Services.

Designated Town Representative: means an officer or employee of the Town designated by office or position by action of the Town Council for purposes of the consent required by Article VI: Section (I) and/or (J) hereof and if no officer or employee is so designated than shall mean the Town Manager.

Developer: means Johnstown Plaza, LLC, a Kansas limited liability company, or its successor or assign as designated by the Developer to the Town from time to time.

Development and Financing Agreement: means an intergovernmental agreement, as amended from time to time, between the Town and the District, and the Developer as to those items which the Developer may be a party, that provides terms and conditions relating to the collection, payment and use of the CPIF and Add-on PIF, termination of the CPIF, maximum interest rates on Debt issued to the Developer or other landowners, limitations on other revenue sources, and other matters.

Development Fee: means a one-time development or system development fee that may be imposed by the District to assist with the planning and development of the Public Improvements. The Development Fee may be used to finance, plan, acquire, construct the Public Improvements and pay Debt service. The District may, but is not obligated to, impose a Development Fee.

District: means Johnstown Plaza Metropolitan District.

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 .

Favorable Opinion of Bond Counsel: means, with respect to the provisions of Article VI Section (I) or (J) hereof, as applicable, an unqualified written opinion of Bond Counsel to the effect that compliance with such provisions is not then required to permit the issuance by the District of Tax-exempt Debt, and failure to comply with such provisions will not impair the exemption from gross income for purposes of federal income taxation of interest on any Debt of the District previously issued as federally tax-exempt (or impair such other federal tax advantage in lieu of exemption of interest from gross income as may apply to such Debt). If the Debt to be issued is not intended to be Tax-exempt Debt, then a Favorable Opinion of Bond Counsel is not required.

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 Financial Plan described in Section VI, which describes (i) how the Public Improvements are to be financed; (ii) how the Debt is expected to 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 Financing Agreement, this Service Plan and any other agreements between the District and the Town.

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

Inclusion Area Boundary Map: means the map attached hereto as **Exhibit C-2**, describing the property proposed for inclusion within the boundaries of the District after organization, if any.

Initial District Boundaries: means the boundaries of the area described in the Initial District Boundary Map, which does not include the Inclusion Area Boundaries.

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

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

Johnstown Plaza PIC: means a nonprofit Public Improvement Corporation serving Johnstown Plaza that may be organized and operate to impose, collect, and spend or convey to the District the Add-on PIF Revenues and/or the Credit PIF Revenues pursuant to covenants recorded against Johnstown Plaza and agreements with the District and/or Town. The Johnstown Plaza PIC may be the Declarant of such covenants or a beneficiary thereof and may perform other services. Nothing in this Service Plan shall be deemed or construed to require the organization or operation of any Johnstown Plaza PIC.

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.

Operations and Maintenance Intergovernmental Agreement: means an agreement between the Town and the District to be entered into prior to the first issuance of Bonds, and as may be amended from time to time, that defines the duties and obligations of the District to operate, maintain, repair, and replace certain of the Public Improvements, authorizes the District to have access to and perform its duties for the portion of the Public Improvements that are owned by the Town and for which the District is responsible, if any, authorizes the Town to undertake the unfulfilled duties of the District at District expense and provides the Town with access for such undertakings, and confirms the District's authority to raise revenue to pay for such activities with any revenue available to it except CPIF revenue and compels the District to impose a mill levy to reimburse the Town for any costs incurred in the event the Town undertakes the unfulfilled duties of the District.

PIF: means Public Improvement Fee, a fee imposed on retail sales by covenant.

Project: means the development or property commonly referred to as the Johnstown Plaza development.

Proof of Ownership: means a current title commitment or ownership and encumbrance report showing ownership and all encumbrances on all properties within the Initial 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, relocated, or redeveloped as part of an Approved Development Plan inside or outside of the boundaries of the District and financed as generally described in the Special District Act, except as specifically limited in this Service Plan to serve the current and future taxpayers and inhabitants of the Service Area as determined by the Board of the District.

Sales Tax: means the sales tax imposed by the Town pursuant to the Town Code.

Sales Tax Code Amendment: means the ordinance, resolution, or other action by the Town Council that authorizes the Credit PIF and provides for its collection, payment, and use consistent with the Development and Financing Agreement. The Sales Tax Code Amendment may be in the form of an Ordinance Amending Article IV of Chapter 4 of the Johnstown Municipal Code Concerning Sales Tax Credits or equal.

Sales Tax Credit: means a credit against the Town's Sales Tax.

Service Area: means the property within the Initial District Boundary Map and, if and when included, also within the Inclusion Area Boundary Map.

Service Plan: means this Service Plan for the District approved by Town Council as amended from time to time.

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 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.23 as the same may be amended from time to time by amendment to the Development and Financing Agreement.

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.

III. BOUNDARIES

The area of the District Boundaries includes approximately 98.49 acres. A legal description of the District Boundaries is 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-1**, and a map of the Inclusion Area Boundaries, if any, is attached hereto as **Exhibit C-2**. It is anticipated that the boundaries of the District may change from time to time as the Project is developed and as the District undergoes inclusions and exclusions pursuant to Section 32-1-401, *et seq.*, C.R.S., and Section 32-1-501, *et seq.*, C.R.S., subject to the limitations set forth in Section V below. Town Council written approval is required for inclusions of property outside of the Initial District Boundaries and outside of the Inclusion Area Boundaries. The Sales Tax Credit, the CPIF and the Add-on PIF shall not apply to any included areas until specifically approved in the Development and Financing Agreement or an amendment to the Development and Financing Agreement or other agreement with the Town.

IV. PROPOSED LAND USE / POPULATION PROJECTIONS / ASSESSED VALUATION

The Service Area consists of approximately 98.49 acres of commercial land. 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. There are no areas proposed for residential use within the District. The non-residential building area within the District at build-out in the District Boundaries is estimated to be approximately 1,100,000 square feet.

Approval of this Service Plan by the Town does not imply approval of the development of a specific area within the District, nor does it imply approval the total site/floor area of commercial or industrial buildings which may be identified in this Service Plan or any of the exhibits attached thereto.

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, including C.R.S. Section 32-1-1004 *et seq.*, including elimination and control of mosquitos, parks or recreation facilities and

programs, safety protection through traffic and safety controls and devices on streets and highways and at railroad crossings, street improvements including parking lots, parking garages and drainage, establishment and maintenance of television relay and translation facilities, transportation, water, sanitation including storm drainage, and other miscellaneous powers, and other applicable statutes, common law and the Constitution, subject to the limitations set forth in this Service Plan, the Intergovernmental Agreement and the Operations and Maintenance Intergovernmental Agreement.

1. Operations and Maintenance. The primary purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop, finance and operate and maintain Public Improvements. The District shall retain, operate, and maintain or shall dedicate the Public Improvements to the Town or other appropriate jurisdiction or owners association in a manner consistent with the Approved Development Plan and the Operations and Maintenance Intergovernmental Agreement, other rules and regulations of the Town, and applicable provisions of the Town Code, all as directed by the Town provided, however, that the direction of the Town to convey a Public Improvement shall not require the District to convey an Improvement in a manner or to a recipient that would impair or terminate the tax exemption for any Tax Exempt Debt as confirmed by Bond Counsel. Unless otherwise specified in an intergovernmental agreement with the Town, all parks and trails within the District shall be open to the general public free of charge.

For any Public Improvement that is not conveyed to the Town or other entity as directed by the Town, the District shall administer, operate, maintain, repair, remove, or replace such Public Improvement in compliance with the applicable standards of the Town and the terms of the Operations and Maintenance Intergovernmental Agreement. The District shall not have the authority to issue any Bonds until the District and the Town have entered into the Operations and Maintenance Intergovernmental Agreement. The District shall hold an election to approve a ballot issue or issues required to commit to the financial obligations in the Operations and Maintenance Intergovernmental Agreement. Until such time as such ballot issue is approved, the District shall have no authority to incur Debt or certify a mill levy.

2. Covenant Enforcement. The District shall have the power to provide covenant enforcement and design review services within the District if the 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. The Town shall not bear any responsibility for covenant enforcement or 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.

3. Fire Protection and Ambulance 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 approved by Town Council. The

District shall not be authorized to provide for ambulance or emergency medical services. 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.

4. Television Relay and Translation. The District shall be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain television relay and translation facilities and services, including the installation of conduit as a part of a street construction project.

5. Streets. The District shall have the authority to design, acquire, install, construct, operate and maintain street and roadway improvements including but not limited to curbs, gutters, culverts, storm sewers and other drainage facilities, detention ponds, retaining walls and appurtenances, as well as sidewalks, bridges, parking facilities, paving, lighting, grading, streetscaping or landscaping, entry features, monuments, undergrounding of public utilities, snow removal equipment, parking lots, parking garages, pedestrian, bicycle, or tunnels and other street improvements, together with all necessary, incidental and appurtenant facilities, signage, land and easements, and all necessary extensions of and improvements to said facilities. Any and all streetscaping, landscaping, or entry monumentation in rights-of-way shall be maintained by the District. All improvements shall be designed and constructed in accordance with all applicable Town standards and regulations. The District will, subject to acceptance by the Town, dedicate all public street and roadway improvements to the Town for ownership and maintenance of such improvements in accordance with Town criteria for the Project.

6. Parks and Recreation. The District shall have the authority to establish, operate, and maintain parks and recreation facilities, services, and programs to the fullest extent allowed under the Special District Act and other relevant law, including but not limited to facilities for parks, playgrounds, trails, playing fields, tennis courts, recreation centers, water amenities, swimming pools, fishing, hunting, boating, skateboarding, and winter sports.

7. Mosquito Control. The District shall have the authority to provide for the elimination and control of mosquitos and pests by any available means.

8. Street Safety. The District shall have the authority to provide safety protection facilities, services and programs, street overpasses and under passes, pedestrian and bicycle ways, bridges, signage, wayfinding signage, lights, signals, guardrails, and other street safety facilities, but not including fire protection or ambulance services.

9. Water. The District shall have the authority to provide potable and nonpotable water by any available means, but except by agreement with the Town, shall not be authorized to acquire water rights.

10. Sanitation. The District shall have the authority to provide sanitary sewers and storm drainage facilities, services, and programs.

11. Underground Utilities. The District shall have the authority to relocate above-ground utility facilities underground as allowed by law.

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

13. Transportation. The District shall have the authority to establish, maintain, and operate a system to transport the public by bus, rail, car-share or any other means of conveyance or any combination thereof and to enter into agreements and contracts for such service within or without the boundaries of the District.

14. Security Services. The Board of Directors of the District shall have the power to furnish security services within or for the District. Such power may be exercised by the District only after the District has provided written notification to, consulted with, and obtained the written consent of all local law enforcement agencies having jurisdiction in and over the District and the Town. In accordance with Section 32-1-1004(7), C.R.S., any local law enforcement agency having said jurisdiction may subsequently withdraw its consent after consultation with and providing written notice of the withdrawal to the Board of Directors of the District. Prior to initiating any security-related services, the Board of Directors of the District shall provide advance written notification to the Town, which written notification shall include a description of the nature and extent of the security services to be furnished by the District.

15. 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 federal and state governmental entities having proper jurisdiction and of those special districts that qualify as “interested persons” under Section 32-1-204(1), C.R.S., as applicable. The District shall obtain the Town’s approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

16. Property Acquisition Limitation; Transfer Requirement. The District shall not exercise any power of eminent domain against the Town without the prior written consent of the Town Council acting by resolution or ordinance. The District shall at no expense to the Town and at the time requested by the Town transfer to the Town all rights-of-way, fee interests and easements that the Town determines are necessary for access to and operation and maintenance of the Public Improvements, consistent with Approved Development Plan(s). The District shall retain sufficient rights to access any rights-of-way, fee interests and easements required to perform the operation and maintenance obligations of the District as set forth in this Service Plan, the Operations and Maintenance Intergovernmental Agreement, and any and all intergovernmental agreements with the Town.

17. Privately Placed Debt Limitations. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor 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 the

District for the [insert the designation of the Debt] does not exceed a market [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.

The District may receive initial funding for both capital and ongoing administrative requirements from developer advances. Such advances may be made to the District subject to the District's obligation to reimburse the same. The interest rate on developer reimbursements shall not exceed the limits set forth in the Development and Financing Agreement. Developer reimbursements shall be subordinate to any other Bonds or Debt of the District.

In addition, the District shall, upon written request of the Town Manager, provide the Town with the then-current names and contact information for all holders of any privately placed Debt, if known.

18. CPIF and Add-on PIF. The District shall have the authority to receive a Credit PIF in an amount up to two percent (2.0%) applied to Taxable Transactions during the Credit PIF Period. The District shall have the authority to receive an Add-on PIF which will be set at a rate not to exceed two and one-half percent (2.5%) before calculation of applicable sales taxes but which is not offset by a Sales Tax Credit. The Credit PIF and Add-On PIF may be imposed by private covenant authorized by the Town.

19. Inclusion, Exclusion and Overlap Limitations. The District shall not include within its boundaries any property except as allowed by Article III of the Service Plan. Subject to that limitation, the District shall include within its boundaries only property that has been annexed to the Town and no portion of the District shall ever consist of property not within the Town's corporate boundaries. The District shall not approve a petition to exclude any property from the District without the prior written consent of the Town Council. The District shall not exclude any property from the District if such exclusion will result, or is reasonably anticipated to result, in detriment to the remaining residents and taxpayers within the District, or to the District's bondholders. Subject to the foregoing limitations, the District shall follow the procedure for inclusion and exclusion of property as provided in Section 32-1-401, *et seq.*, C.R.S., and Section 32-1-501, *et seq.*, C.R.S.

Following an inclusion, the applicable rates, fees, tolls, charges and penalties of the District will apply to the included property. Following an inclusion, the Credit PIF and Add-on PIF may apply to the included area only as set forth in the prior written consent of the Town Council, or as approved in the Development and Financing Agreement, an amendment to the Development and Financing Agreement or other intergovernmental agreement with the Town.

The territory within the District shall be excluded from the territory of the Thompson Crossing Metropolitan District No. 2.

20. Zoning and Land Use Requirements. The District shall be subject to all of the Town's zoning, subdivision, building code and other land use requirements.

21. Water Rights/Resources Limitation. The District shall not acquire, own, manage, adjudicate or develop water rights or resources except as otherwise provided pursuant to an intergovernmental agreement with the Town approved by the Town Council.

22. Reimbursement Agreement. If the District utilizes reimbursement agreements to obtain reimbursements from third-party developers or adjacent landowners for costs of improvements that benefit third-party landowners, such agreements shall be done in accordance with Town Code.

23. Total Debt Issuance Limitation.

(a) Except as provided in Section 23(c) below, the District shall not issue Debt in excess of \$150,000,000, which is estimated to provide net proceeds of \$90,000,000 for Public Improvements serving the Initial District Boundaries, as well as the traditional transactional and financing costs plus an amount to be mutually agreed upon by the Town and the District for costs incurred as a result of the timing on the purchase of property for the public improvements and subsequent sale to the District, without the prior written consent of the Town.

(b) Unless otherwise approved by resolution of the Town Council, the District shall have no authority to incur Debt, certify a mill levy, or collect or expend any funds if the Developer or an affiliate thereof does not, on or before December 1, 2016 acquire all or substantially all of the property in the Initial District Boundaries; and obtain a consent to overlap from Thompson Crossing Metropolitan District No. 2 by the time of the final approval of the Service Plan for the District.

(c) Notwithstanding any provision of the Service Plan to the contrary, the Total Debt Issuance Limitation may be increased by the Development and Financing Agreement or an amendment to the Development and Financing Agreement without a requirement to amend the Service Plan to authorize such increase.

24. Monies from Other Governmental Sources. The District shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds or grants available from or through governmental or non-profit entities for which the Town is eligible to apply for or receive, except as may be specifically authorized by prior written consent from Town Council. This Section shall not apply to specific ownership taxes which shall be distributed to and constitute a revenue source for the District without any limitation.

25. Consolidation Limitation. The District shall not file a request with any Court to consolidate with any other Title 32 district without the prior written approval of the Town Council.

26. Bankruptcy Limitation. All of the limitations contained in this Service Plan 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. It is expressly intended that such limitations:

(a) shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Service Plan Amendment; 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).

Any Debt, issued with a pledge of revenues or which results in a pledge, not contemplated in this Service Plan, shall be deemed a material modification of this Service Plan pursuant to Section 32-1-207, C.R.S. unless such pledge is entered into with the prior written consent of the Town Council or has been approved by the Town as part of a Service Plan Amendment.

27. 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. The District shall have ability to use CPIF and Add-on PIF revenues or any other revenues of the District to pay debt service, to pay for capital improvements authorized by this Service Plan, and after termination of the Credit PIF, may use Add-on-PIF Revenues in addition to other revenues for operation, maintenance, and administrative costs of the District. 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 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.

28. Service Plan Amendment Requirement. This Service Plan is general in nature and does not include specific detail in some instances because development plans have not been finalized. The Service Plan has been designed with sufficient flexibility to enable the District to provide required Public Improvements under evolving circumstances without the need for numerous amendments. Modification of the general types of services and facilities making up the Public Improvements, and changes in proposed configurations, locations or dimensions of the Public Improvements shall be permitted to accommodate development needs consistent with the then-current Approved Development Plan(s) for the Project, subject to the limitations of this Service Plan and the Intergovernmental Agreement.

The District is an independent unit of local government, separate and distinct from the Town, and its activities are subject to review by the Town only insofar as they may deviate in a material manner from the requirements of the Service Plan, the Town Code, the Intergovernmental Agreement, the Development and Financing Agreement or other agreement with the Town. However, actions of the District which: (1) materially violate the limitations set forth in Sections V.A.1-27 above; (2) violate the limitations set forth in Section VI.B-J of the Service Plan; (3) constitute a material modification under the provisions of state law, this Service

Plan or Town Code; or (4) constitute a failure to comply with the Intergovernmental Agreement, the Development and Financing Agreement or other agreement with the Town, which non-compliance has not been waived by the Town in a writing approved by the Town Council or Manager may be deemed by Town Council to be a material modification to this Service Plan. Consent of the Town shall be received, to the extent required, for issuance of tax exempt bonds secured by the Credit PIF or Add-On PIF as provided in Section VI(I) and VI(J) below.

Any Town approval requirements contained in this Service Plan (including, without limitation, any provisions requiring that a change, request, occurrence, act or omission be treated as a Service Plan Amendment or be deemed a "material modification" of the Service Plan) shall remain in full force and effect, and, unless otherwise provided by resolution of the Town Council, such Town approval shall continue to be required, notwithstanding any future change in law modifying or repealing any statutory provision concerning service plans, amendments thereof or modifications thereto.

The District shall be responsible for payment of the Town consultant, legal and administrative costs associated with the review and processing of any modification or amendment of this Service Plan or any administrative approval requested or required of the Town in effecting the provisions hereof. The District shall also be responsible for the consultant, legal and administrative costs associated with the drafting and execution of the Development and Financing Agreement, the Operations and Maintenance Intergovernmental Agreement and any other agreements between the Town and the District arising from the requirements of this Service Plan, including any amendments to such agreements. The Town may require a deposit of such estimated costs.

B. Capital Plan.

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, operation, maintenance, and financing of the Public Improvements within and, to the extent necessary to improve or construct Public Improvements, including adjacent streets, parking lots, parking garages, traffic and safety improvements, park and recreation, television relay and translation, transportation, security services, improvements and services described in C.R.S. 32-10-1004(1), water, sewer, drainage, storm sewer and related utilities or improvements to connect Public Improvements to existing infrastructure, without the boundaries of the District, all to the extent and as more specifically defined in the Special District Act and the Approved Development Plan(s) for the Project. A Capital Plan, including: (1) a list of the Public Improvements to be developed by the District; (2) an estimate of the cost of the Public Improvements, together with a letter from a Colorado professional registered engineer certifying that such costs are reasonable in the engineer's opinion and that such estimates were prepared based upon Town construction standards; and (3) a pro forma capital expenditure plan correlating expenditures with development is attached hereto as **Exhibit D**. A map depicting the proposed initial locations of Public Improvements is attached hereto as **Exhibit E**. The Capital Plan shows the estimated cost of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed by the District and was prepared based upon estimates derived from the zoning on the property in the Service Area. 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.

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 standards are in accordance with those of the Town and shall be in accordance with the requirements of the Approved Development Plan. 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 D** 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, relocation and/or redevelopment 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 a 2.00% CPIF and a 2.5% Add-on PIF, and other legally available revenues. The District may also rely upon various other revenue sources within the limitations set forth in the Development and Financing Agreement and as authorized by law, such as interest, specific ownership taxes, Development Fees or any other Fees, rates, tolls, penalties, or charges, advances from the Project 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 \$150,000,000, which is estimated to be the amount necessary to net \$90,000,000 in proceeds or reimbursements or any combination thereof from the public financing package from the CPIF and Add-on PIF applied within the Initial District Boundaries, as well as the traditional transactional and financing costs plus an amount to be mutually agreed upon by the Town and the District to reimburse the Developer for costs incurred as a result of the timing on the purchase of property for the public improvements and subsequent sale to the District, without the approval of Town Council as set forth in the Development and Financing Agreement, any amendment to the Development and Financing Agreement or other agreement with the Town. Debt is permitted to be issued on a schedule and in such year or years as the District determines shall meet the needs of the Capital Plan referenced above and the progression of the development, subject to compliance with this Service Plan. The Debt that the District shall be permitted to issue is supported by the Financial Plan prepared by D.A. Davidson & Co., attached hereto as **Exhibit F**. D.A. Davidson & Co. shall attach a certification to the Financial Plan, certifying that based upon the assumptions contained therein and in its professional opinion, the

District is expected to retire all Debt referenced in the Financial Plan within the restrictions set forth in the Service Plan, including but not limited to the CPIF and Add-on PIF, as applicable.

B. Maximum Voted Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is limited to the market rate at the time the Debt is issued. In addition, the interest rate on Developer reimbursements shall not exceed the limits set forth in the Development and Financing Agreement and as authorized by law. The proposed maximum underwriting discount will be four percent (4%). Debt, when issued, shall comply with all relevant requirements of this Service Plan, the Development and Financing Agreement, State law and Federal law as then applicable to the issuance of public securities.

C. Debt Repayment Sources.

Debt may be repaid from the CPIF, the Add-on PIF, Development Fees, revenue from the Development and Financing Agreement, an amendment to the Development and Financing Agreement or any other intergovernmental agreement revenues, gifts, grants, ad valorem taxes, development fees, and any source of payment permitted by law for the debt service for bonds. The Town and the Developer are in discussion regarding the possible sharing of 1% of the Sales Taxes generated in areas outside of the District, which sharing, if approved, may begin upon termination or expiration of the existing agreements to share funds. Any agreement to share such Sales Taxes revenue may be approved by the Town in the Development and Financing Agreement, an Amendment to the Development and Financing Agreement, in the Operations and Maintenance Intergovernmental Agreement, or other agreement with the Town.

D. 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, including the Development and Financing Agreement referenced in the Service Plan, and amendments thereto.

A substantially similar statement 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. If no offering documents are used, then the District shall deliver the statement to any prospective purchaser of such Debt. The Town may by written notice to the District require modifications to the form of disclosure statement.

E. Security for Debt.

The District shall not pledge any revenue, property or other assets of the Town as security for any District indebtedness. 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.

F. TABOR Compliance.

The District shall comply with the provisions of TABOR. In the discretion of the Board, the District may set up enterprises or nonprofit entities to manage, fund, construct and operate facilities, services and programs. To the extent allowed by law, any entity created by the District will remain under the control of the District's Board. The activities of such enterprises and entities shall comply with the provisions of this Service Plan.

G. 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 \$100,000 which will be eligible for reimbursement from Debt proceeds.

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, operated, and maintained pursuant to the Operations and Maintenance Intergovernmental Agreement. The first year's operating budget is estimated to be \$75,000 which is anticipated to be derived from CAM charges, property taxes, other revenues or a combination thereof. The District may certify a mill levy for general fund purposes in an amount not to exceed the amount authorized by an election and authorized by the Board of the District. After the termination of the CPIF Revenues, the District may use Add-on-PIF Revenues to fund general fund purposes.

H. Subdistricts.

With the prior written approval of the Town Council the District may organize subdistricts or areas as allowed by Section 32-1-1101(1)(f), C.R.S., and any such subdistrict(s) or area(s) shall be subject all limitations on Debt and other provisions of the Service Plan. In accordance with Section 32-1-1101(1)(f)(I), C.R.S., the District shall notify the Town prior to establishing any such subdistrict(s) or area(s), and shall provide the Town with details regarding the purpose, location, and relationship of the subdistrict(s) or area(s). The Town Council may elect to treat the organization of any such subdistrict(s) or area(s) as a material modification of the Service Plan, and in such case may require the District process a Service Plan Amendment.

I. Annual Budget Submittals to Town While Tax-Exempt Debt is Outstanding.

Until such time as there is delivered to the Town and the District a Favorable Opinion of Bond Counsel with respect to the provisions of this subparagraph (VI.I.), the District shall cause a copy of its annual budget to be delivered to the Town on or before October 15 of

each year. The Town shall have the right to review and object to the District's budget on or before November 15 of the same calendar year, with any objections stated with specificity. If the Town objects to any provision of the District's budget, the District shall cause its budget to be revised on or before the immediately succeeding December 15. If the Town does not object to the District's budget on or before November 15 of the same calendar year, the District's budget shall be deemed approved by the Town and the District shall be permitted to collect and expend any and all revenues of the District so long as in accordance with such budget approved by the Town. The District shall not be permitted to expend any moneys in excess of the total amount appropriated under the Town approved budget, unless and until the District amends the applicable budget to allow for the proposed expenditure. In the event the District determines to amend its budget following Town approval thereof, the District shall cause a copy of the proposed budget amendment to be delivered to Town at least 45 days prior to the date the District determines to adopt the same. The Town shall have 30 days to review the same. In the event the Town does not object to the proposed budget amendment within 30 days following the Town's receipt of the same, the proposed budget amendment shall be deemed approved by the Town and the District shall be permitted to expend any and all revenues of the District so long as in accordance with the budget amendment approved by the Town. If the Town objects to any provision of the District's budget amendment, the District shall cause the budget amendment to be revised and shall not exceed its previously approved budget until such time as the Town approves the budget amendment. Notwithstanding anything to the contrary contained herein, in the event the District determines that it will not be issuing Tax-Exempt Debt, or the District does not have Tax-exempt Debt outstanding, the District shall not be obligated to submit annual budgets to the Town. The District shall be responsible for payment of the Town consultant and legal and administrative costs associated with the review contemplated herein, and the Town may require a deposit of the estimated costs thereof.

J. Town Approval of Tax-Exempt Debt Issuance. Until such time as there is delivered to the Town and the District a Favorable Opinion of Bond Counsel with respect to the provisions of this subparagraph (VI.J.), if the District determines to issue any federally tax-exempt Debt (such term includes otherwise federally tax-advantaged debt), the District shall submit to the Town, for the Town's reasonable approval: (i) a financial plan which demonstrates the structure of the proposed Debt issuance, including the anticipated use of net proceeds thereof, and the District's plan to repay the same; and (ii) near final federal tax-exempt Debt issuance documents. The Town shall have thirty (30) days to review and consent to the same. In any event, the District shall not be permitted to issue any federal tax-exempt Debt unless and until the District receives a written consent signed by the Designated Town Representative with respect to such Debt issuance. The District shall be responsible for payment of the Town consultant and legal and administrative costs associated with the review contemplated herein, and the Town may require a deposit of the estimated costs thereof.

K. Applicability. Sections VI.I. and VI.J. of the Service Plan do not apply to the issuance of any Debt or any agreement that is not federally tax-exempt Debt.

VII. ANNUAL REPORT

A. General.

The District shall file an annual report with the Town Clerk not later than September 1 of each calendar year, which annual report shall reflect activity and financial events of the District through the preceding December 31 (the "report year"). The Town Council reserves the right, pursuant to Section 32-1-207(3)(c), C.R.S., to request annual reports from the District beyond five years after the District's organization.

B. Reporting of Significant Events.

The annual report shall include the following:

1. A narrative summary of the progress of the District in implementing its Service Plan for the report year;

2. Except when exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the District for the report year including a statement of financial condition (i.e., balance sheet) as of December 31 of the report year and the statement of operations (i.e., revenues and expenditures) for the report year;

3. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of Public Improvements in the report year, as well as any Public Improvements proposed to be undertaken in the five (5) years following the report year;

4. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the amount of outstanding Debt, the amount and terms of any new Debt issued in the report year, the

amount of payment or retirement of existing Debt of the District in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year and the current mill levy of the District pledged to Debt retirement in the report year;

5. The District's budget for the calendar year in which the annual report is submitted;

6. A summary of the development in the District for the report year;

7. A summary of all Development Fees, other Fees and assessments, if any, imposed by the District as of January 1 of the report year;

8. Certification that no action, event or condition enumerated in Town Code has occurred in the report year, or certification that such event has occurred but that an amendment to the Service Plan that allows such event has been approved by Town Council;

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

10. A statement that the District is in compliance with all provisions of the Service Plan and, if requested by the Town, certification from the External Financial Advisor that the District is in compliance with all provisions of the Service Plan relating to Debt and financing.

C. Quinquennial Review.

Pursuant to § 32-1-1101.5, C.R.S., the District may be required by the Town Council to submit application for a quinquennial finding of reasonable diligence in every fifth (5th) calendar year after the calendar year in which the District's ballot issues to incur general obligation indebtedness is approved by its electorate. If required by the Town, upon such application, the Town Council may accept such application or hold a public hearing thereon and take such actions as are permitted by law. 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. The Town shall have all powers concerning the quinquennial review as provided by statutes in effect from time to time.

VIII. DISSOLUTION

Unless the Town Council approves a resolution authorizing the continued existence of the District, if the Developer does not acquire the property in the District by December 1, 2016, then the owners of the property within the District and the District Board of Directors shall forthwith take such actions as are required to dissolve the District.

Upon an independent determination of the Town Council that the purposes for which the District were created have been accomplished, the District agrees to file a petition in the District Court for and in Larimer County, Colorado, for dissolution, pursuant to the applicable State statutes. In no event shall dissolution 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. If the District is responsible for ongoing operations and maintenance functions under this Service Plan or the Operations and Maintenance Intergovernmental Agreement, the District shall not be obligated to dissolve upon any such Town Council determination. However, should the indebtedness, other financial obligations, and operations and maintenance obligations be undertaken by the Town or other governmental entity, or should the District no longer be obligated to perform the any outstanding financial or operations and maintenance obligations under the Service Plan or the Operations and Maintenance Intergovernmental Agreement, the District agrees to commence dissolution proceedings in compliance with and pursuant to State statutes.

The District may not be dissolved until such time as the Town has approved a plan for the transfer of the District's assets, which may include, but not be limited to, a transfer to another governmental or quasi-governmental entity, a unit owner's association, a corporation or other legal entity. Upon dissolution of the District, assets of the District shall be transferred only in accordance with a plan approved by the Town.

IX. INTERGOVERNMENTAL AGREEMENT

The form of the intergovernmental agreement required by the Town, relating to the limitations imposed on the District's activities, is attached hereto as **Exhibit H**. The District shall approve and execute the Intergovernmental Agreement at its first Board meeting following its organizational election, in the same form as the Intergovernmental Agreement approved by the Town Council, and shall promptly deliver an executed original to the Town. Failure of the District to execute the Intergovernmental Agreement as required herein shall constitute a material modification and shall require a Service Plan Amendment. The Town Council shall approve the Intergovernmental Agreement at the public hearing approving the Service Plan.

In addition to the Intergovernmental Agreement the District shall enter into the Operations and Maintenance Intergovernmental Agreement and the Development and Financing Agreement. Any intergovernmental agreement proposed regarding the subject matter of this Service Plan shall be subject to review and approval by the Town Council prior to its execution by the District.

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 to affirmative injunctive relief to require the District to act in accordance with the provisions of this Service Plan. The District shall pay any and all costs, including attorneys' fees, incurred by the Town in enforcing any provision of the Service Plan. To the extent permitted by law, the District hereby waives the provisions of Section 32-1-207(3)(b), C.R.S. and agrees it will not rely on such provisions as a bar to the enforcement by the Town of any provisions of this Service Plan.

XI. CONCLUSION

It is submitted that this Service Plan, submitted for the District, contains, the following:

1. A description of the proposed services;
2. A financial plan showing how the proposed services are to be financed, including the proposed operating revenue derived from property taxes for the first budget year of the district, which shall not be materially exceeded except as authorized pursuant to section 32-1-207 or 29-1-302, C.R.S. All proposed indebtedness for the District shall be displayed together with a schedule indicating the year or years in which the debt is scheduled to be issued. The Board of Directors of the District shall notify the Town Council of any alteration or revision of the proposed schedule of debt issuance set forth in the financial plan; which notification may be part of the annual report described in Section VII hereof;
3. A preliminary engineering or architectural survey showing how the proposed services are to be provided;
4. A map of the proposed special district boundaries and an estimate of the population and valuation for assessment of the proposed special 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 proposed special district are compatible with facility and service standards of any county within which all or any portion of the proposed special district is to be located, and of municipalities and special districts which are interested parties pursuant to section 32-1- 204 (1);
6. A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the district;
7. A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the proposed special district and such other political subdivision, and, if the form contract to be used is available, it shall be attached to the service plan;
8. Information, along with other evidence presented at the hearing, satisfactory to establish that each of the criteria set forth in section 32-1-203, if applicable, is met;
9. Such additional information as the Town Council may require by resolution on which to base its findings pursuant to section 32-1-203.

It is further submitted that this Service Plan for the District, as required by Section 32-1-203(2), C.R.S., establishes that:

1. There is sufficient existing and projected need for organized service in the area to be 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 section 30-28-106, C.R.S;
8. The proposal is in compliance with any duly adopted county, regional or state long-range water quality management plan for the area;
9. The creation of the special district is in the best interests of the area proposed to be served;
10. The creation of the district is in the best interests of the residents and future residents of the area proposed to be served; and
11. The proposal will not foster urban development that is remote or incapable of being integrated with existing urban areas, and will not place a burden on the Town or adjacent jurisdictions to provide urban services to residents of the district.

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 properties within the Initial 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

EXHIBIT A

Legal Descriptions

Initial District Boundaries

The territory within the proposed District is entirely within the Town of Johnstown, Larimer County, Colorado and is described as follows:

Lot 1, Block 3 and Lot 5, Block 2, of 2534, a subdivision of the Town of Johnstown, County of Larimer, State of Colorado

And

A portion of Lot 8, Block 3, of 2534, located in the Northwest Quarter of Section 14, Township 5 North, Range 68 West of the 6th P.M., Town of Johnstown, County of Larimer, State of Colorado, being more particularly described as follows:

Commencing at the Northwest corner of Section 14, Township 5 North, Range 68 West of the 6th P.M., in Larimer County, Colorado;

Thence South $10^{\circ}14'51''$ East, a distance of 760.06 feet to the point of beginning; Thence North $89^{\circ}31'28''$ East, a distance of 63.24 feet; thence South $26^{\circ}38'27''$ East, a distance of 68.80 feet to the beginning of a non-tangent curve to the left; thence 62.19 feet along the arc of said curve having a radius of 164.00 feet, a central angle of $21^{\circ}43'31''$, and being sub-tended by a chord which bears North $67^{\circ}59'50''$ East, 61.81 feet; thence South $00^{\circ}29'19''$ East, a distance of 178.74 feet; thence North $89^{\circ}30'41''$ East, a distance of 80.19 feet; thence South $00^{\circ}29'19''$ East, a distance of 122.77 feet; thence South $89^{\circ}30'41''$ West, a distance of 56.80 feet; thence South $00^{\circ}29'19''$ East, a distance of 175.92 feet; thence South $89^{\circ}31'28''$ West, a distance of 257.49 feet to the beginning of a tangent curve to the right; thence 31.96 feet along the arc of said curve having a radius of 20.00 feet, a central angle of $91^{\circ}33'39''$ and being sub-tended by a chord which bears North $44^{\circ}41'43''$ West, 28.67 feet; thence North $01^{\circ}05'07''$ East, a distance of 306.64 feet to the beginning of a tangent curve to the left; thence 32.55 feet along the arc of said curve having a radius of 100.00 feet, a central angle of $18^{\circ}38'54''$, and being sub-tended by a chord which bears North $08^{\circ}14'20''$ West, 32.40 feet to the beginning of a reverse curve to the right; thence 32.55 feet along the arc of said curve having a radius of 100.00 feet, a central angle of $18^{\circ}38'53''$, and being sub-tended by a chord which bears North $08^{\circ}14'20''$ West, 32.40 feet; thence North $01^{\circ}05'07''$ East, a distance of 26.05 feet to the beginning of a tangent curve to the right; thence 40.51 feet along the arc of said curve having a radius of 57.50 feet, a central angle of $40^{\circ}21'51''$, and being sub-tended by a chord which bears North $21^{\circ}16'02''$ East, 39.68 feet; thence North $41^{\circ}26'58''$ East, a distance of 10.88 feet to the beginning of a tangent curve to the right; thence 65.01 feet along the arc of said curve having a radius of 77.50 feet, a central angle of $48^{\circ}03'43''$ and being sub-tended by a chord which bears North $65^{\circ}28'49''$ East, 63.12 feet;

thence North 89°30'41" East, a distance of 22.99 feet; thence North 00°28'32" West, a distance of 28.50 feet to the point of beginning;

AND

Lot 6, Block 2, of 2534, a subdivision in the Town of Johnstown, County of Larimer, State of Colorado.

Lot 2, Block 1, 2534 FILING NO. 11, being a replat of a portion of Lot 8, Block 3, 2534, a subdivision in the Town of Johnstown, County of Larimer, State of Colorado;

AND

Lot 1, Block 1 and Outlot A,

2534 WEST FIRST FILING, County of Larimer, State of Colorado, as set forth on the 2534 West First Filing Plat, recorded on March 6, 2009 at Reception No. 20090013831;

AND

Lot 2, Block 1 and Outlot B,

2534 WEST FIRST FILING, County of Larimer, State of Colorado, as set forth on the 2534 West First Filing Plat, recorded on March 6, 2009 at Reception No. 20090013831;

AND

A portion of the following described property:

Block 12, of 2534, a subdivision of the Town of Johnstown, County of Larimer, State of Colorado.

AND

Lot 2, Replat of Lot 1, Block 2, 2534 West First Filing, Larimer County, State of Colorado.

AND

The property legally described as Lot 4, Block 1, Replat of Lot 2, Block 1, Replat of Lot 6, Block 1, 2534 Filing No. 4, as per plat recorded July 15, 2015, as Document No. 20150045619, Public Records of Larimer County, State of Colorado

Said described parcels of land contain approximately 98.49 acres, more or less (+)

EXHIBIT B

Johnstown Vicinity Map





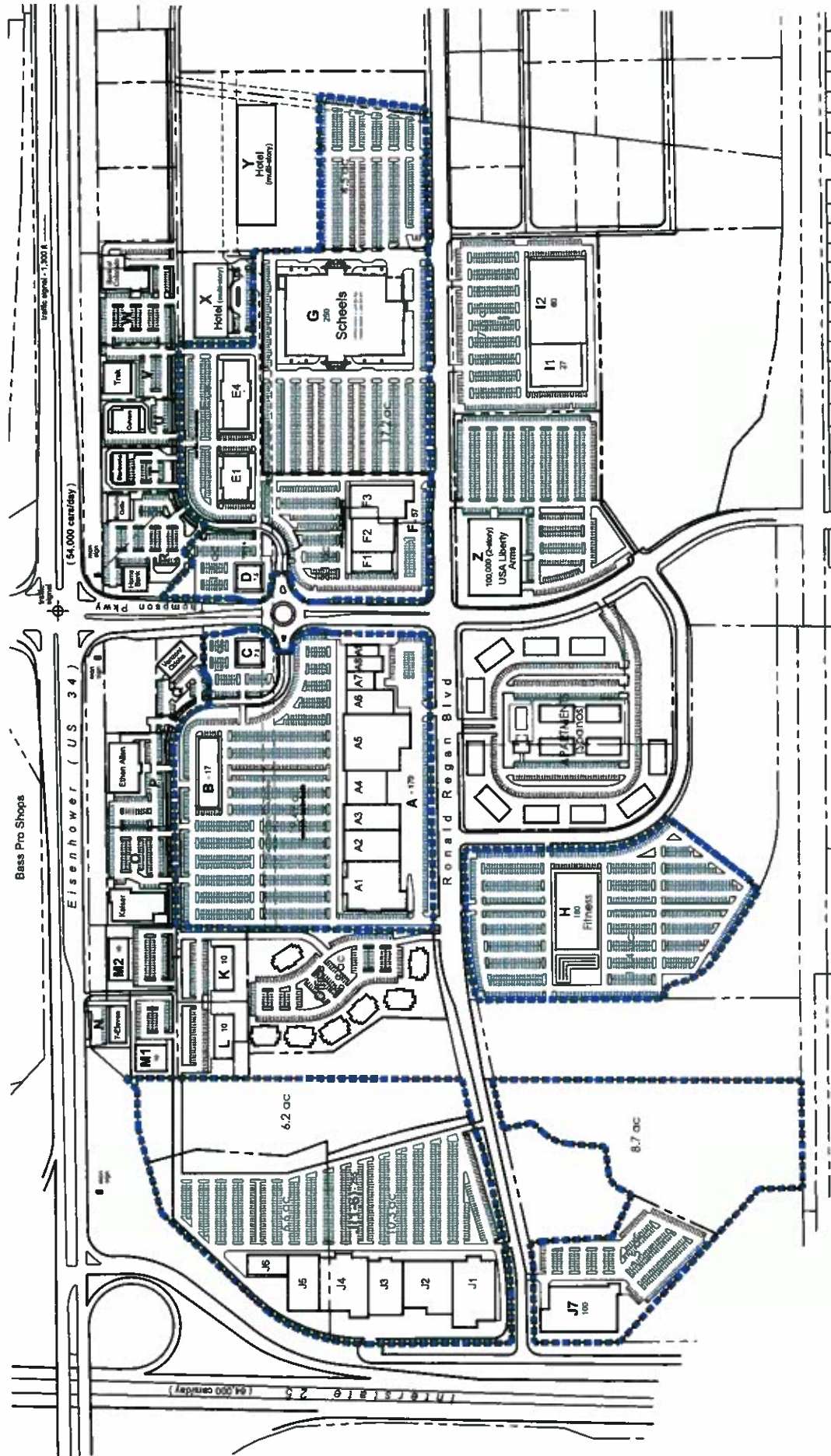
EXHIBIT C-1

Initial District Boundary Map



Exhibit A

JOHNSTOWN PLAZA METRO DISTRICT BOUNDARY MAP As of August 27, 2015



----- Initial Site Boundary

EXHIBIT C-2

Inclusion Area Boundary Map

(Not Applicable)

EXHIBIT D

Capital Plan

CAPITAL PLAN

Project: JOHNSTOWN PLAZA
Prepared for: Town of Johnstown
Prepared by: Timothy A. McCarthy, P.E.
Date Prepared: May 26, 2015

Summarized by: Rick Kron/David O'Leary
Date Summarized: July 21, 2015

Item Description	Total Cost
Public Land Acquisition	
Overall Site (Public Improvements Only)	
Mobilization	
Traffic Control	
Overlot Grading (Public Improvements Only)	
Clear and Grub	
Earthwork	
Erosion Control	
Sanitary Sewer	
8" PVC	
10" PVC Main	
Manholes	
Potable Water	
Fire Protection Water Tap (Assume 8")	
12" PVC	
8" PVC	
Bends	
Gate Valve	
Tee	
Storm Sewer	
24" RCP	
30" RCP	
Inlets	
Manholes	
FES @ Outfalls	
Riprap	
Water Quality Feature	
Roads	
Subgrade Preparation	

Item Description

Total Cost

Road Base

8" Asphalt

Curb & Gutter

Bridge

Sidewalks and Trails

6" Sidewalk – Stamped &
Colored

Public Parking

Subgrade Preparation

Road Base

7" Asphalt

Striping

Landscaping and Parks

Irrigation Water Tap (Assume
4")

Landscaping

2" PVC Irrigation Line

Irrigation Control

Exterior Lighting

Buried Cable

Light Poles

Public Art

Statues, Sculptures

Waterfalls/Fountains

Monuments

Contractor General Conditions

Subtotal – Hard Costs

Soft Costs

Legal,

Planning & Architectural,

Land Surveying,

Civil Engineering,

Geotechnical Engineering &

Materials Testing,

Construction Management,

Program Management,

Indirect Costs

Permits & Fees,

Performance and Payment,

Bonds, Other Indirect Costs,

Total:

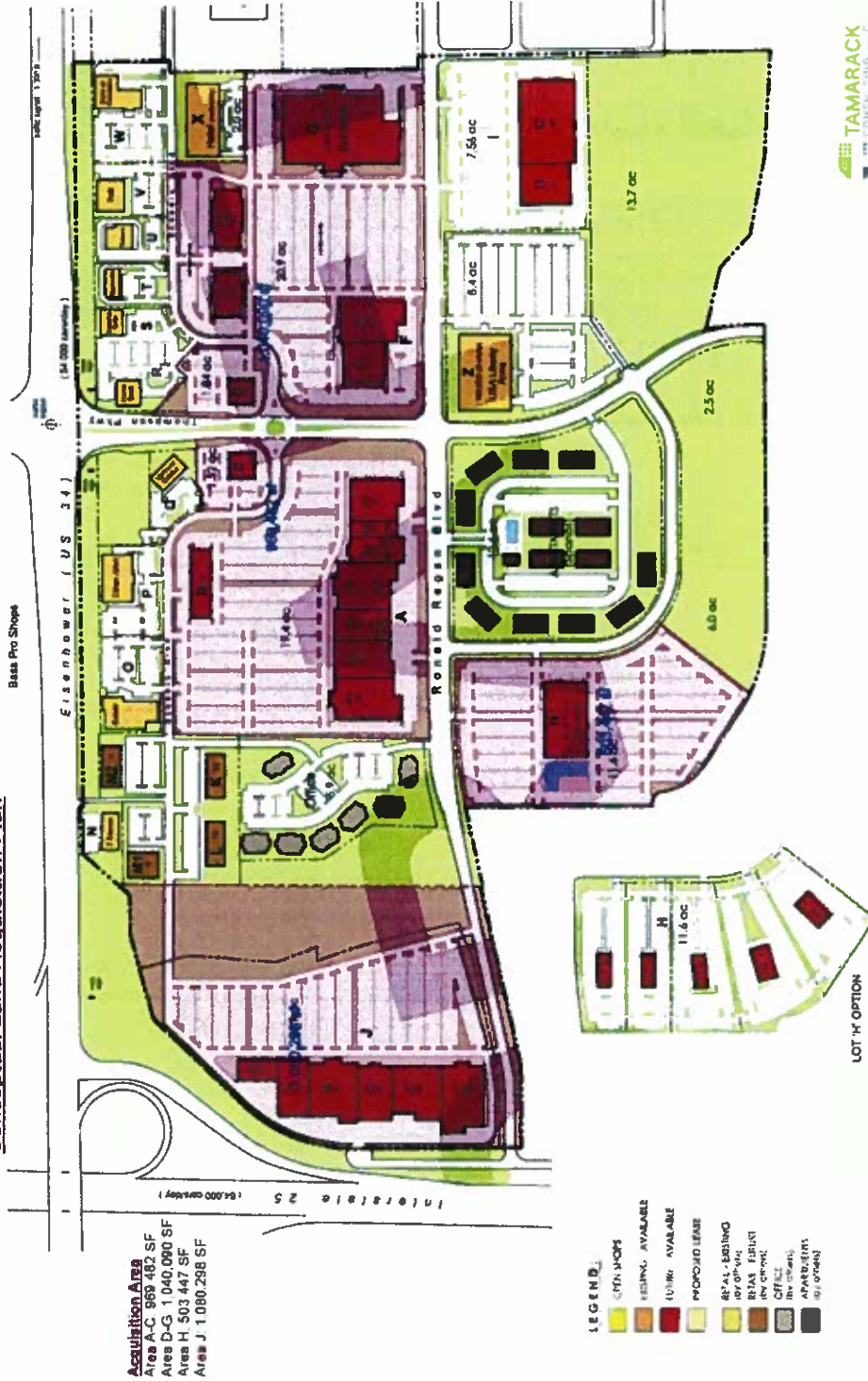
\$100,436,029.00

EXHIBIT E

Map Depicting Public Improvements



Conceptual Land Acquisition Plan



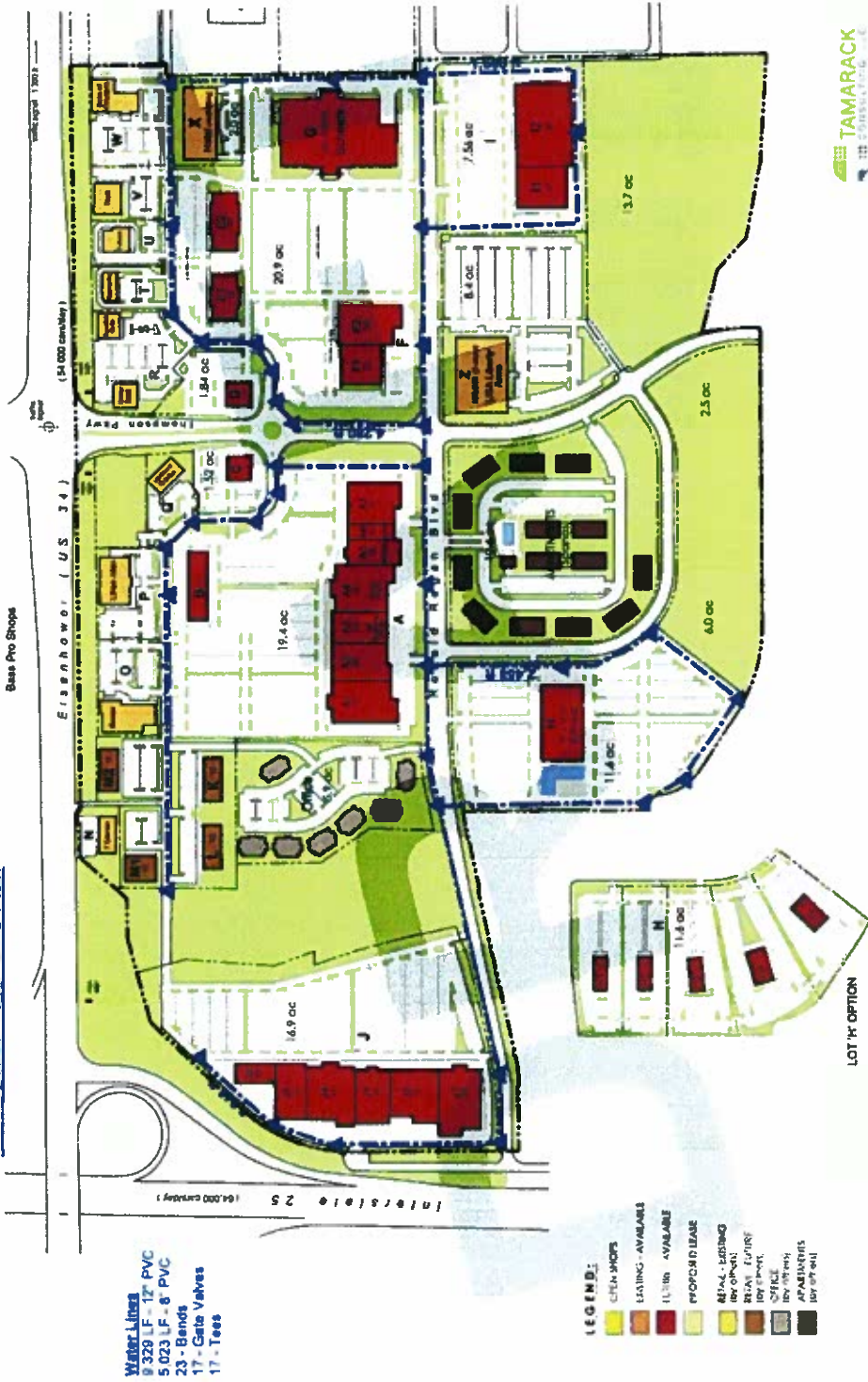
Acquisition Area
 Area A-C 969,462 SF
 Area D-G 1,040,090 SF
 Area H 503,447 SF
 Area J 1,080,298 SF

- LEGEND:**
- CPN W/OPS
 - BEING AVAILABLE
 - TO BE AVAILABLE
 - W/OPD LEASE
 - APAL - BUILDING
 - REAR EXHAUST
 - NEW CONCR.
 - OFFICE
 - APARTMENTS

LOT 'H' OPTION



Conceptual Water Line Plan



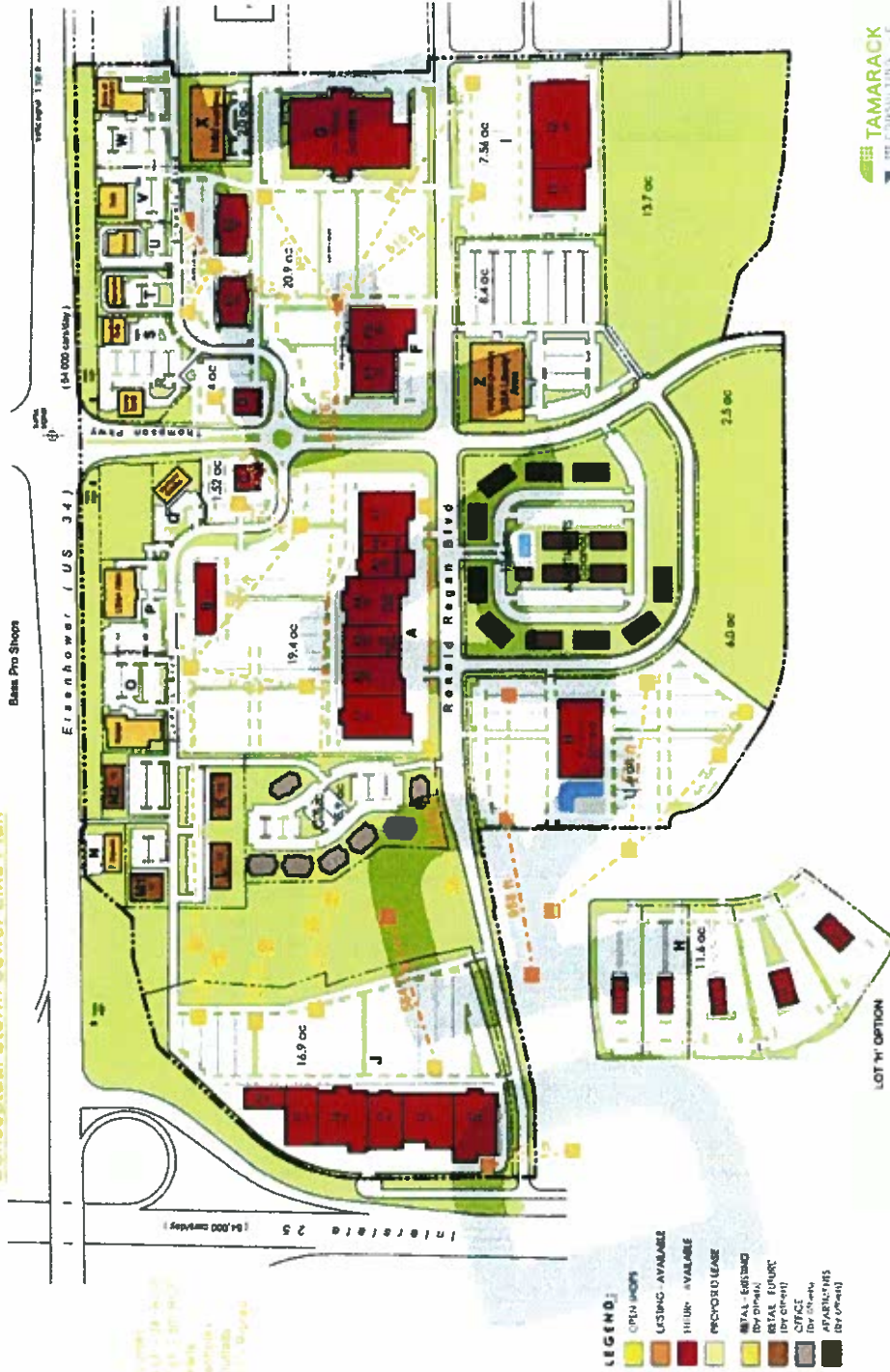
Water Lines
 9 320 LF - 12" PVC
 5 023 LF - 8" PVC
 23 - Bends
 17 - Gate Valves
 17 - Tees

- LEGEND:**
- NEW SHOPS
 - EXISTING - AVAILABLE
 - UTILTY AVAILABLE
 - PROPOSED LEASE
 - REPAIR - EXISTING
 - NEW OFFICE
 - NEW OFFICE
 - NEW OFFICE
 - APARTMENTS
 - NEW OFFICE

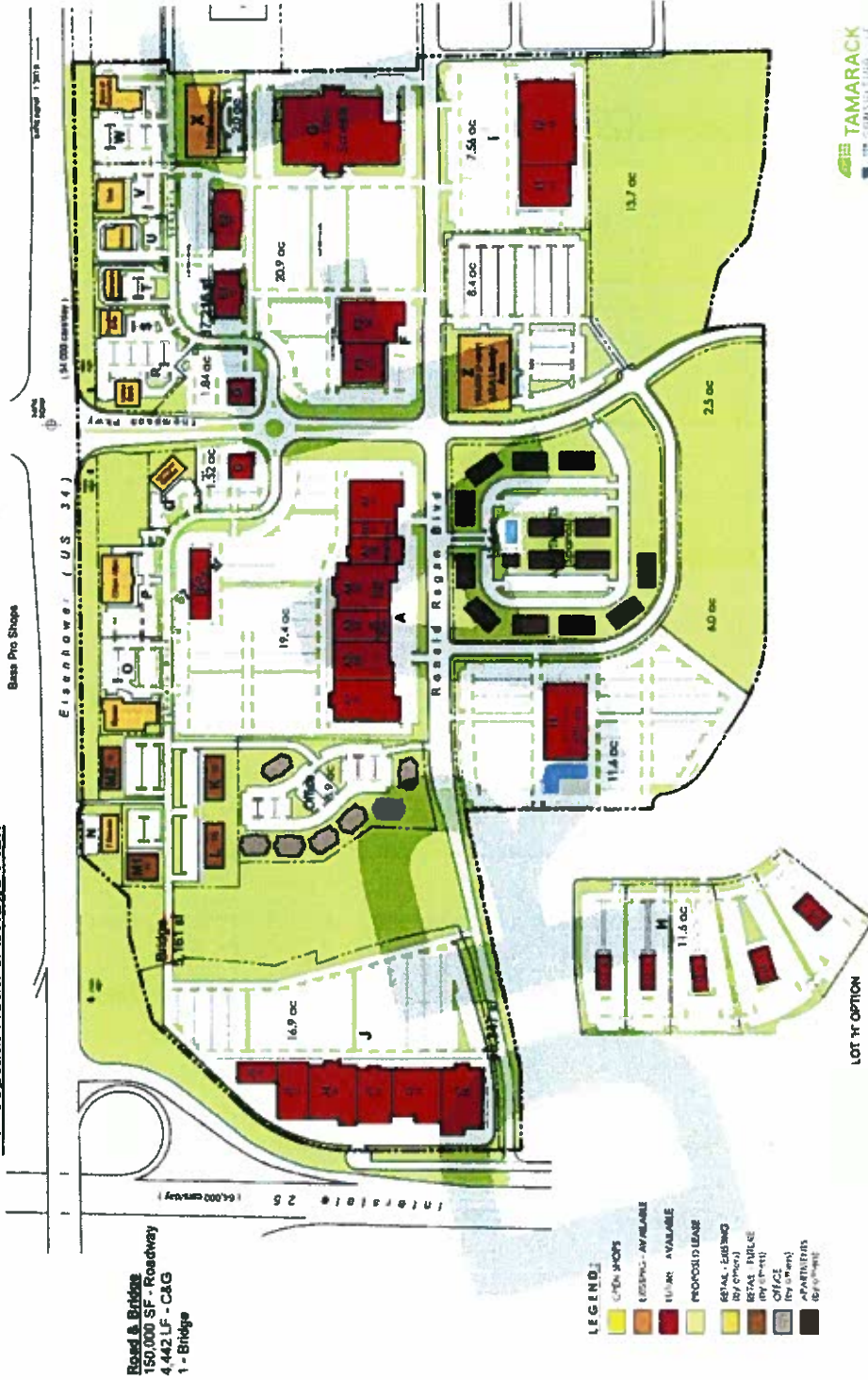
LOT 14' OPTION



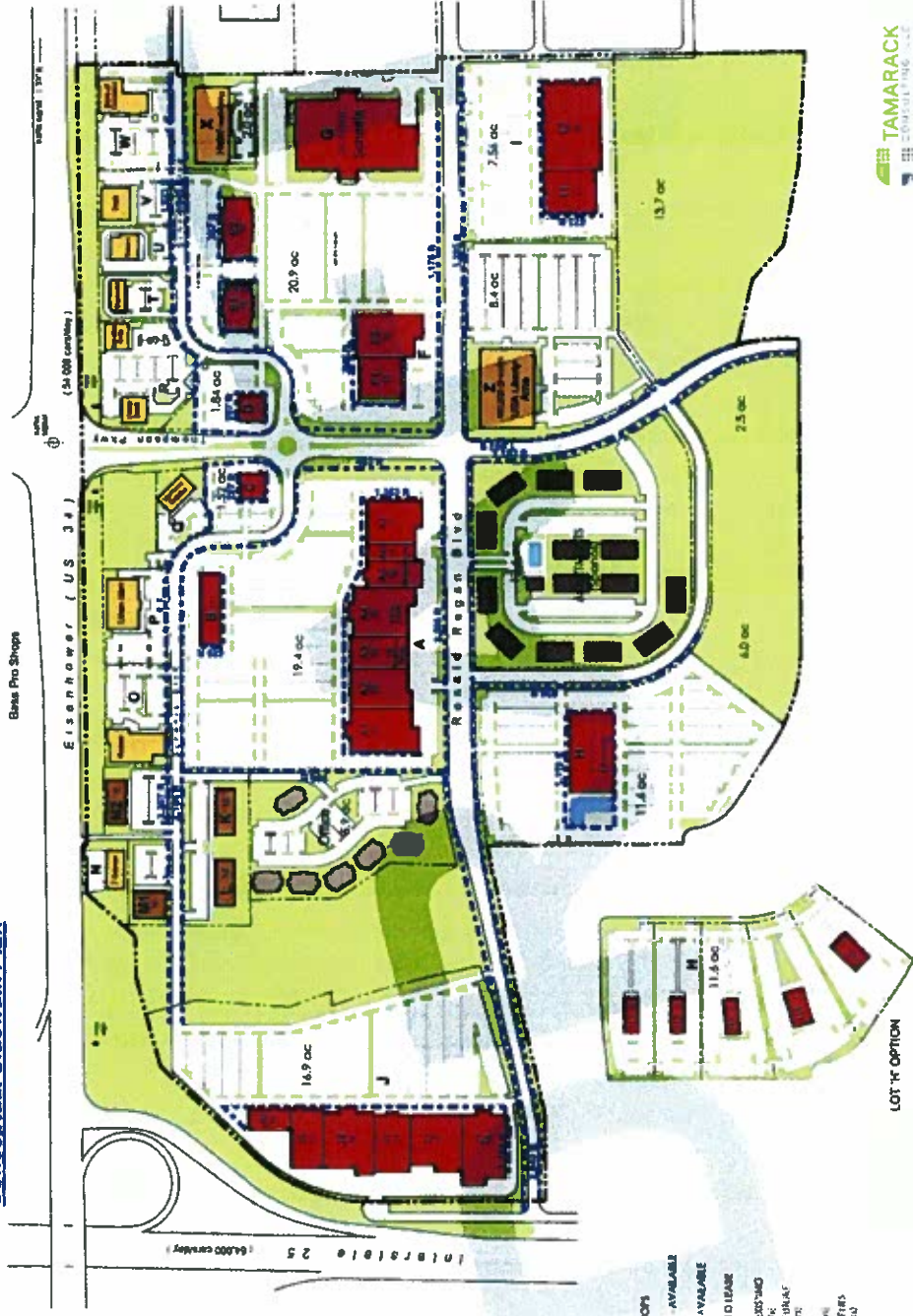
Conceptual Storm Sewer Line Plan



Conceptual Road & Bridge Plan



Conceptual Sidewalk Plan

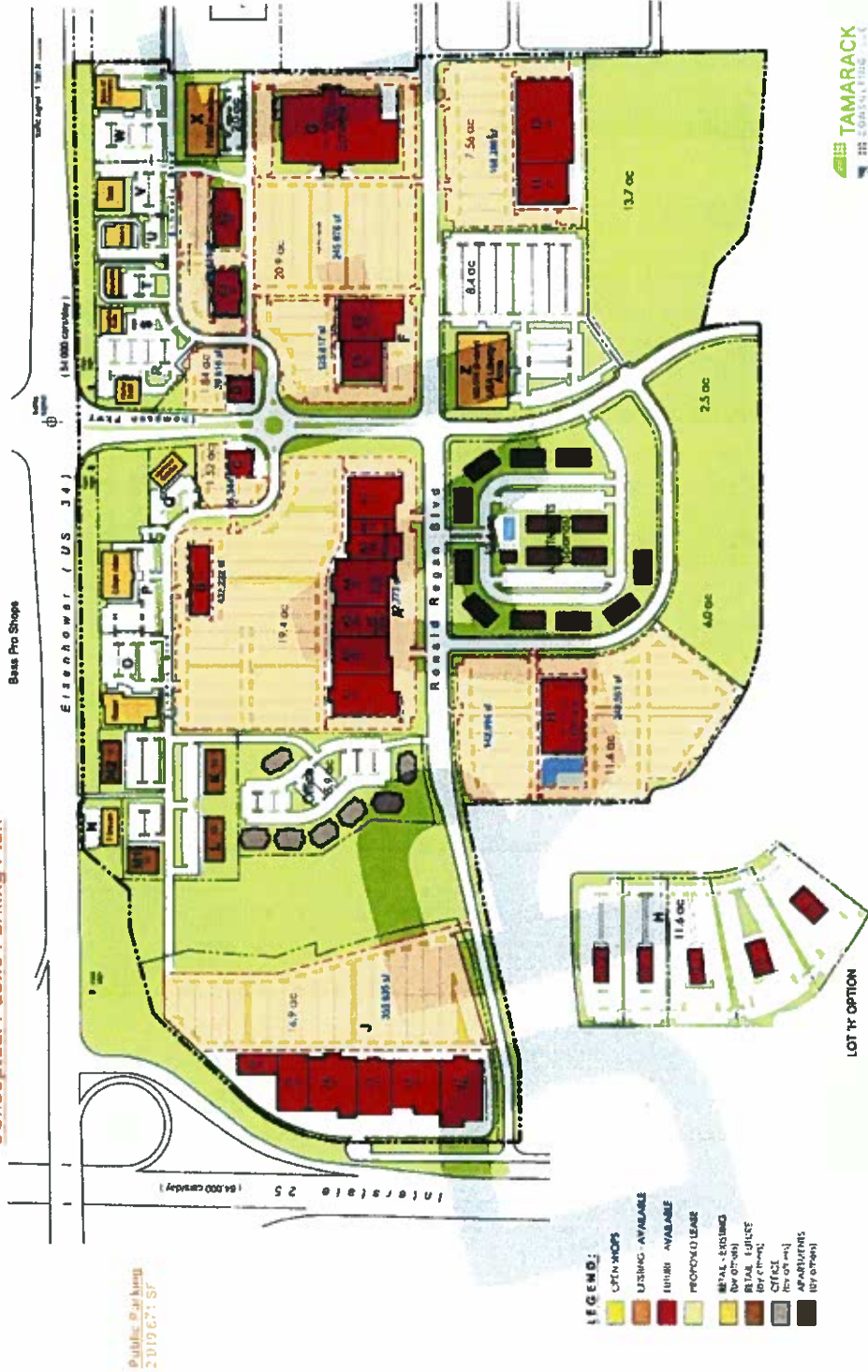


Sidewalk
157 432 SF

- LEGEND:**
- CPN HOPS
 - EXISTING AVAILABLE
 - FUTURE AVAILABLE
 - PROPOSED LEASE
 - RETAIL EXISTING
 - RETAIL AVAILABLE
 - OFFICE
 - THEATER
 - APARTMENTS
 - (BY OTHER)



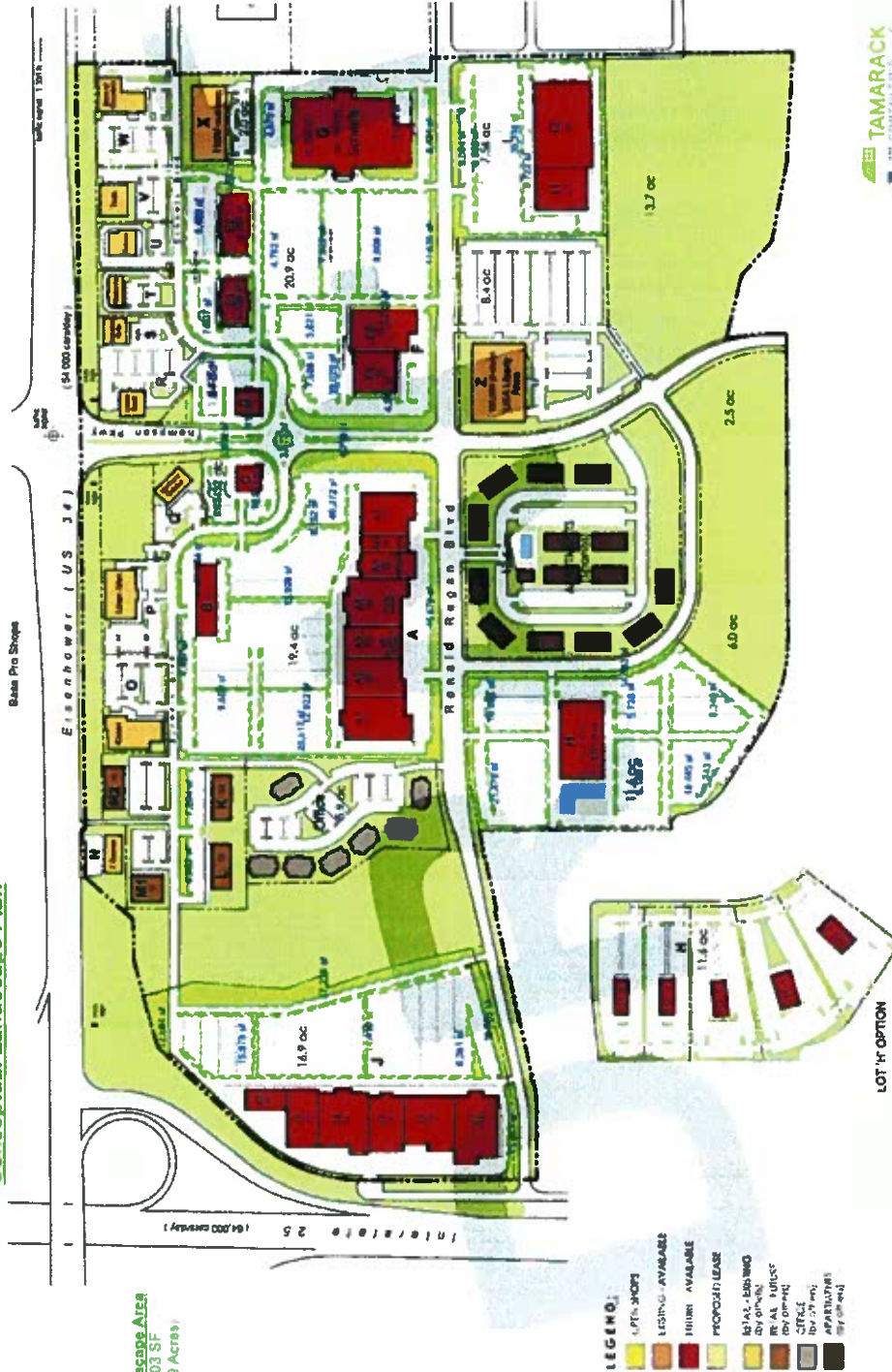
Conceptual Public Parking Plan



Public Parking
2/19/21 ST

Conceptual Landscape Plan

Landscape Area
678 903 SF
(15.58 Acres)



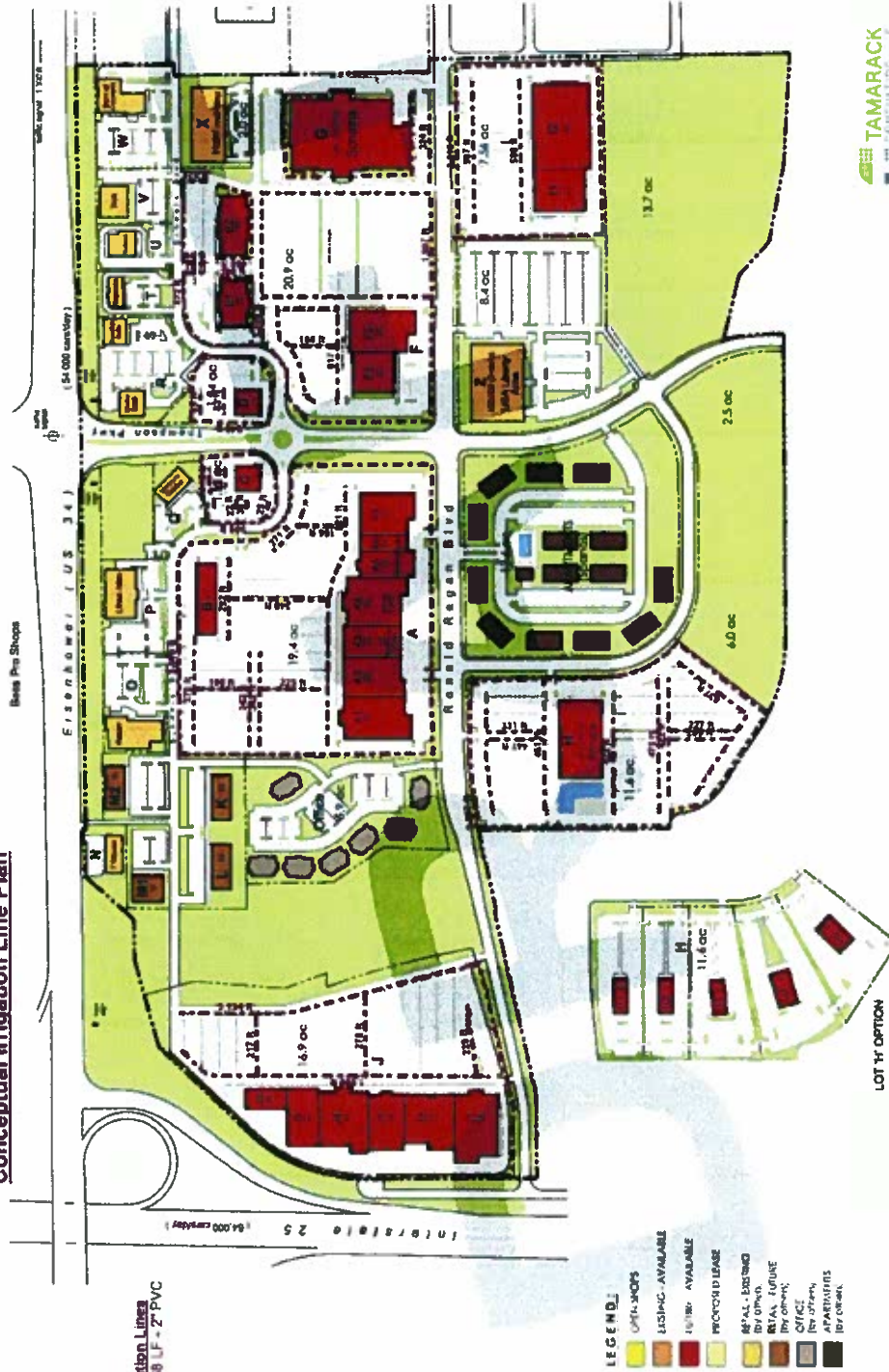
- LEGEND:**
- LOT 11 OPTION
 - EXISTING - AVAILABLE
 - IMMUN AVAILABLE
 - PROPOSED LEASE
 - SPAC - BUILDING
 - SPAC - BUILDING
 - SPAC - BUILDING
 - SPAC - BUILDING
 - SPAC - BUILDING
 - SPAC - BUILDING
 - APARTMENTS
 - APARTMENTS

LOT 11 OPTION



Conceptual Irrigation Line Plan

Irrigation Lines
31.668 LF - 2" PVC



- LEGEND:**
- UPPER SHOPS
 - USING AVAILABLE
 - LOWER AVAILABLE
 - PROVIDE LEASE
 - REPAIR - EXISTING
 - REPAIR - FUTURE
 - OFFICE
 - APARTMENTS
 - BY OTHER

LOT 11 OPTION



Conceptual Electrical Line Plan

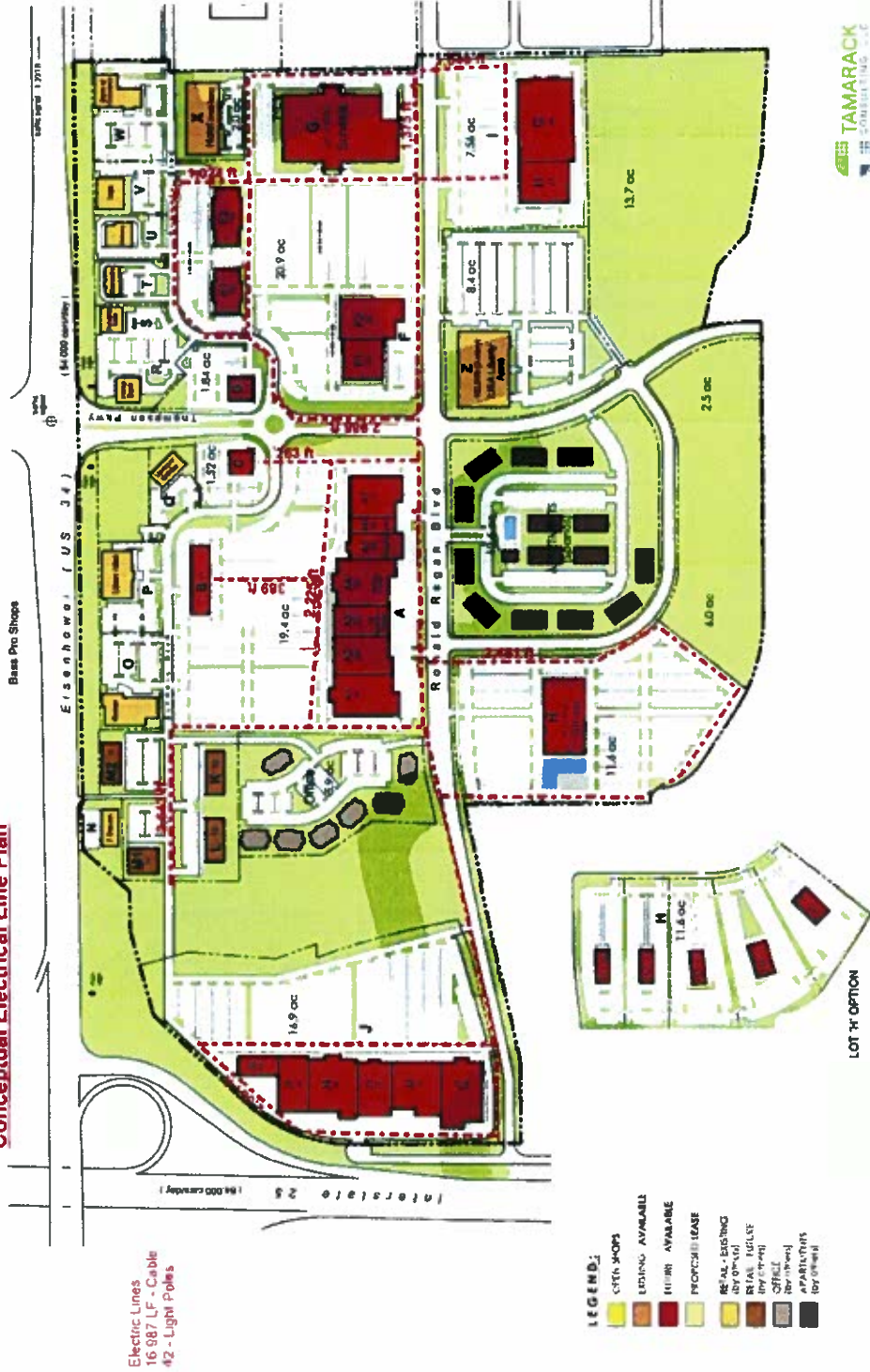


EXHIBIT F

Financial Plan

SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT
 Development Projection at 0.00% (target) District MBAs + 0.000 URA MBAs + District's share of Credit & Add-on PIF Revenues
 Series 2017 & Series 2019, Special Revenue Bonds, Non-Rated, \$97,000M Total Project, Min. 160x, 25-yr. Maturities

YEAR	Cumulative Market Value	As of Value @ 20.00% (2-yr lag)	Total Comm'l Bq. FL	Mix Value Biennial Reassessmnt @ 2.0%	As of Value @ 20.00% of Market (2-yr lag)	Total Assessed Value	District DB Mill Levy (0.00 Target) (\$0.00 Cap)	District DB Mill Levy Collections @ 88%	District S.O. Taxes Collected @ 8%	Less U.R.A. Base A.V. Biennially reassessed @ 2%	U.R.A. Net Increment Assessed Value	U.R.A. DB Mill Levy (0.000 Target)	U.R.A. Total Collections @ 88%
2016	4,750,000	0	0	0	0	0	0	0	0	0	0	0	0
2017	3,000,000	1,377,500	400,000	968,000	80,631,000	1,377,500	0	0	0	0	1,377,500	0	0
2018	6,000,000	870,000	200,000	968,000	144,303,480	14,920,500	0	0	0	0	14,920,500	0	0
2019	0	1,740,000	400,000	2,886,070	147,189,550	25,122,960	0	0	0	0	25,122,960	0	0
2020	0	0	0	2,843,791	147,189,550	41,848,009	0	0	0	0	41,848,009	0	0
2021	0	0	0	150,133,341	150,133,341	42,684,989	0	0	0	0	42,684,989	0	0
2022	0	0	0	3,002,667	153,136,007	43,538,669	0	0	0	0	43,538,669	0	0
2023	0	0	0	3,062,720	156,198,728	44,409,442	0	0	0	0	44,409,442	0	0
2024	0	0	0	3,123,975	159,322,702	45,297,631	0	0	0	0	45,297,631	0	0
2025	0	0	0	3,186,454	162,509,156	46,203,584	0	0	0	0	46,203,584	0	0
2026	0	0	0	3,250,183	165,759,339	47,127,655	0	0	0	0	47,127,655	0	0
2027	0	0	0	3,315,187	169,074,526	48,070,208	0	0	0	0	48,070,208	0	0
2028	0	0	0	3,381,491	172,456,017	49,031,613	0	0	0	0	49,031,613	0	0
2029	0	0	0	3,449,120	175,905,137	50,012,245	0	0	0	0	50,012,245	0	0
2030	0	0	0	3,518,103	179,423,240	51,012,490	0	0	0	0	51,012,490	0	0
2031	0	0	0	3,588,465	183,011,704	52,032,739	0	0	0	0	52,032,739	0	0
2032	0	0	0	3,660,234	186,671,939	53,073,394	0	0	0	0	53,073,394	0	0
2033	0	0	0	1,000,000	43,337,459	0	0	0	0	0	0	0	0

SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT

Development Projection at 0.00% (target) District Mills + 0.00 URA MIBs + District's share of Credit & Add-on PIF Revenues
 Series 2017 & Series 2018, Special Revenue Bonds, Non-Rated, \$97,000M Total Project, Min. 180+, 25-yr. Maturities

YEAR	Annual Taxable Sales* Int'l. @ 1.5%	Annual Credit PIF Rev. @ 2.000%	Annual Add-on PIF Rev. @ 2.000%	Annual Existing Taxable Sales* Int'l. @ 1.5%	Annual Credit PIF Rev. on Existing Sales @ 1.000%	Net Available for Debt Svc	2017 \$2,915,000 Par [Net \$45,600 Int'l] Net Debt Service	2018 \$6,035,000 Par [Net \$51,197 Int'l] Net Debt Service	Total Net Debt Service	Annual Surplus to \$1,000,000	Cumulative Surplus to \$1,000,000 Target	Conv. of Net DS: @ 0.00 Dist. Mills & 0.00 U.R.A. Mills
2016	0	0	0	0	0	0	0	0	\$0	1,387,500	1,387,500	0.0%
2017	31,562,500	631,250	631,250	12,500,000	125,000	1,387,500	2,915,000	2,915,000	2,901,334	1,560,341	2,947,841	153.6%
2018	108,385,625	2,167,713	2,167,713	12,625,000	126,250	4,461,675	2,915,000	4,461,675	3,516,334	4,338,436	7,286,276	223.4%
2019	193,181,438	3,863,628	3,863,628	12,751,250	127,513	7,854,770	3,516,334	7,854,770	6,115,027	3,006,077	8,000,000	164.6%
2020	280,151,003	5,603,020	5,603,020	12,876,750	128,768	10,534,828	3,522,509	10,534,828	7,412,352	4,278,834	8,000,000	157.7%
2021	289,027,764	5,780,555	5,780,555	13,007,500	130,076	11,891,186	3,584,834	11,891,186	8,627,518	4,318,348	8,000,000	157.7%
2022	291,919,041	5,838,361	5,838,361	13,137,626	131,378	11,808,098	3,623,309	11,808,098	9,906,518	4,362,277	8,000,000	157.7%
2023	294,837,222	5,896,744	5,896,744	13,269,002	132,690	11,926,179	3,657,384	11,926,179	11,188,880	4,454,930	8,000,000	157.7%
2024	297,785,594	5,955,712	5,955,712	13,401,692	134,017	12,179,458	3,787,059	12,179,458	12,424,265	4,499,850	8,000,000	157.7%
2025	300,763,450	6,015,288	6,015,288	13,535,708	135,357	12,301,252	3,821,834	12,301,252	12,424,265	4,545,887	8,000,000	157.7%
2026	303,771,084	6,075,422	6,075,422	13,671,066	136,711	12,424,265	3,861,384	12,424,265	12,424,265	4,598,605	8,000,000	157.7%
2027	306,808,785	6,136,176	6,136,176	13,807,777	138,078	12,548,507	3,900,159	12,548,507	12,548,507	4,638,840	8,000,000	157.7%
2028	309,876,883	6,197,538	6,197,538	13,945,854	139,459	12,673,692	3,937,894	12,673,692	12,673,692	4,681,880	8,000,000	157.7%
2029	312,975,852	6,259,513	6,259,513	14,085,313	140,853	12,800,732	3,979,284	12,800,732	12,800,732	4,728,837	8,000,000	157.7%
2030	316,105,409	6,322,108	6,322,108	14,226,166	142,262	12,928,740	4,018,809	12,928,740	12,928,740	4,775,275	8,000,000	157.7%
2031	319,266,463	6,385,328	6,385,328	14,368,428	143,684	13,056,027	4,061,164	13,056,027	13,056,027	4,827,030	8,000,000	157.7%
2032	322,459,127	6,449,183	6,449,183	14,512,112	145,121	13,188,007	4,100,859	13,188,007	13,188,007	4,874,666	8,000,000	157.7%
2033	325,683,719	6,513,674	6,513,674	14,657,233	146,572	13,320,493	4,142,559	13,320,493	13,320,493	4,919,286	8,000,000	157.7%
2034	328,940,566	6,578,811	6,578,811	14,803,805	148,039	13,453,688	4,180,734	13,453,688	13,453,688	4,972,033	8,000,000	157.7%
2035	332,229,961	6,644,599	6,644,599	14,951,843	149,518	13,588,235	4,225,109	13,588,235	13,588,235	5,018,440	8,000,000	157.7%
2036	335,552,261	6,711,045	6,711,045	15,101,362	151,014	13,724,118	4,264,859	13,724,118	13,724,118	5,068,907	8,000,000	157.7%
2037	338,907,784	6,778,156	6,778,156	15,252,375	152,524	13,861,359	4,309,709	13,861,359	13,861,359	5,122,270	8,000,000	157.7%
2038	342,296,861	6,845,937	6,845,937	15,404,889	154,049	13,999,872	4,353,834	13,999,872	13,999,872	5,171,645	8,000,000	157.7%
2039	345,719,830	6,914,397	6,914,397	15,559,948	155,599	14,139,972	4,396,684	14,139,972	14,139,972	5,224,420	8,000,000	157.7%
2040	349,177,028	6,983,541	6,983,541	15,714,538	157,145	14,281,372	4,437,709	14,281,372	14,281,372	5,276,708	8,000,000	157.7%
2041	352,660,799	7,053,378	7,053,378	15,871,693	158,717	14,424,186	4,486,359	14,424,186	14,424,186	5,330,250	8,000,000	157.7%
2042	356,185,487	7,123,910	7,123,910	16,030,400	160,304	14,568,427	4,521,184	14,568,427	14,568,427	5,383,619	8,000,000	157.7%
2043	359,757,441	7,195,149	7,195,149	16,190,704	161,907	14,714,112	0	14,714,112	14,714,112	5,439,485	8,000,000	157.7%
2044	363,355,016	7,267,100	7,267,100	16,352,611	163,526	14,861,253	0	14,861,253	14,861,253	127,509,406	0	157.7%
		167,787,216	167,787,216	401,613,708	7,130,562	342,705,014	99,622,908	115,572,700	215,195,608	127,509,406	127,509,406	

[1] New Development, Includes Log.

[2] Increases to 2% in 2024

SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT
Operations & Intergovernmental Agreement Revenue and Expense Projection

YEAR	Total Assessed Value	Oper'n's Mill Levy	Total Collections @ 9%	Specific Ownership Tax @ 6%	Total Available For O&M	TCHM&E Mill Levy	Total Collections @ 9%	Specific Ownership Tax @ 6%	Total Available For TCHM&E	Total MBRS
2016	0	5,000	0	0	0	10,000	0	0	0	15,000
2017	1,377,500	5,000	6,750	405	7,155	10,000	13,500	810	14,309	15,000
2018	14,920,500	5,000	73,110	4,387	77,497	10,000	146,221	8,773	154,994	15,000
2019	25,122,990	5,000	123,103	7,386	130,489	10,000	246,205	14,772	260,977	15,000
2020	41,848,009	5,000	205,055	12,303	217,358	10,000	410,110	24,607	434,717	15,000
2021	42,684,969	5,000	209,156	12,549	221,706	10,000	418,313	25,099	443,411	15,000
2022	42,684,969	5,000	209,156	12,549	221,706	10,000	418,313	25,099	443,411	15,000
2023	43,538,668	5,000	213,339	12,800	226,140	10,000	426,679	25,601	452,280	15,000
2024	43,538,668	5,000	213,339	12,800	226,140	10,000	426,679	25,601	452,280	15,000
2025	44,409,442	5,000	217,606	13,056	230,663	10,000	435,213	26,113	461,325	15,000
2026	44,409,442	5,000	217,606	13,056	230,663	10,000	435,213	26,113	461,325	15,000
2027	45,297,631	5,000	221,958	13,318	235,276	10,000	443,917	26,635	470,552	15,000
2028	45,297,631	5,000	221,958	13,318	235,276	10,000	443,917	26,635	470,552	15,000
2029	46,203,584	5,000	226,398	13,584	239,981	10,000	452,795	27,168	479,963	15,000
2030	46,203,584	5,000	226,398	13,584	239,981	10,000	452,795	27,168	479,963	15,000
2031	47,127,655	5,000	230,926	13,856	244,781	10,000	461,651	27,711	489,562	15,000
2032	47,127,655	5,000	230,926	13,856	244,781	10,000	461,651	27,711	489,562	15,000
2033	48,070,208	5,000	235,544	14,133	249,677	10,000	471,088	28,265	499,353	15,000
2034	48,070,208	5,000	235,544	14,133	249,677	10,000	471,088	28,265	499,353	15,000
2035	49,031,613	5,000	240,255	14,415	254,670	10,000	480,510	28,831	509,340	15,000
2036	49,031,613	5,000	240,255	14,415	254,670	10,000	480,510	28,831	509,340	15,000
2037	50,012,245	5,000	245,060	14,704	259,764	10,000	490,120	29,407	519,527	15,000
2038	50,012,245	5,000	245,060	14,704	259,764	10,000	490,120	29,407	519,527	15,000
2039	51,012,490	5,000	249,961	14,998	264,959	10,000	499,922	29,995	529,918	15,000
2040	51,012,490	5,000	249,961	14,998	264,959	10,000	499,922	29,995	529,918	15,000
2041	52,032,739	5,000	254,960	15,298	270,258	10,000	509,921	30,595	540,516	15,000
2042	52,032,739	5,000	254,960	15,298	270,258	10,000	509,921	30,595	540,516	15,000
2043	53,073,394	5,000	260,060	15,604	275,663	10,000	520,119	31,207	551,326	15,000
2044										
			5,758,406	345,504	6,103,910		11,516,812	691,009	12,207,821	

SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT
Development Projection - Buildout Plan (updated 7/21/16)

YEAR	Scholar										Retail 1										Retail 2									
	SF Dev'd	Incr/(Decr) In Finished Lot Value @ 10%	Square Ft Completed	Square Ft	MV per Sq Ft	Market Value	Sales per Sq Ft	Lease-Up %	Annual Sales Tax Revenue @ 1.8%	Annual Sales Tax Revenue	SF Dev'd	Incr/(Decr) In Finished Lot Value @ 10%	Square Ft Completed	Square Ft	MV per Sq Ft	Market Value	Sales per Sq Ft	Lease-Up %	Annual Sales Tax Revenue @ 1.8%	Annual Sales Tax Revenue	SF Dev'd	Incr/(Decr) In Finished Lot Value @ 10%	Square Ft Completed	Square Ft	MV per Sq Ft	Market Value	Sales per Sq Ft	Lease-Up %	Annual Sales Tax Revenue @ 1.8%	Annual Sales Tax Revenue
2016	250,000	2,500,000	0	0	\$100.00	\$0	\$350.00	0%	\$0	0	150,000	2,250,000	0	0	\$150.00	\$0	\$250.00	0%	\$0	0	200,000	3,000,000	0	0	200,000	200,000	150.00	\$0	\$250.00	0
2017	0	0	250,000	250,000	102.00	25,500,000	353.50	25%	22,063,750	0	0	0	0	0	153.00	22,350,000	252.50	25%	9,468,750	0	0	0	0	0	0	0	153.00	0	252.50	0
2018	0	0	0	0	104.04	0	337.04	75%	66,944,063	0	0	0	0	0	156.06	0	255.03	75%	28,690,313	0	0	0	0	0	0	0	156.06	0	255.03	12,751,250
2019	0	0	0	0	108.12	0	360.61	100%	90,151,338	0	0	0	0	0	158.18	0	257.58	100%	38,636,288	0	0	0	0	0	0	0	158.18	0	257.58	38,636,288
2020	0	0	0	0	108.24	0	364.21	100%	91,052,951	0	0	0	0	0	162.36	0	260.15	100%	39,022,650	0	0	0	0	0	0	0	162.36	0	260.15	52,090,201
2021	0	0	0	0	110.41	0	397.85	100%	91,963,379	0	0	0	0	0	165.61	0	262.75	100%	39,412,877	0	0	0	0	0	0	0	165.61	0	262.75	52,550,503
2022	0	0	0	0	112.62	0	371.53	100%	92,843,013	0	0	0	0	0	168.92	0	265.38	100%	39,807,006	0	0	0	0	0	0	0	168.92	0	265.38	53,076,008
2023	0	0	0	0	114.87	0	375.25	100%	93,811,843	0	0	0	0	0	172.30	0	268.03	100%	40,205,076	0	0	0	0	0	0	0	172.30	0	268.03	53,608,788
2024	0	0	0	0	117.17	0	379.00	100%	94,749,962	0	0	0	0	0	175.75	0	270.71	100%	40,607,126	0	0	0	0	0	0	0	175.75	0	270.71	54,142,035
2025	0	0	0	0	119.51	0	382.78	100%	95,897,461	0	0	0	0	0	179.26	0	273.42	100%	41,013,198	0	0	0	0	0	0	0	179.26	0	273.42	54,684,284
2026	0	0	0	0	121.90	0	386.62	100%	96,644,436	0	0	0	0	0	182.85	0	276.16	100%	41,423,330	0	0	0	0	0	0	0	182.85	0	276.16	55,231,106
2027	0	0	0	0	124.34	0	390.48	100%	97,620,990	0	0	0	0	0	186.51	0	278.92	100%	41,837,563	0	0	0	0	0	0	0	186.51	0	278.92	55,783,417
2028	0	0	0	0	126.82	0	394.39	100%	98,597,190	0	0	0	0	0	190.24	0	281.71	100%	42,255,939	0	0	0	0	0	0	0	190.24	0	281.71	56,341,252
2029	0	0	0	0	129.36	0	398.33	100%	99,583,162	0	0	0	0	0	194.04	0	284.52	100%	42,678,498	0	0	0	0	0	0	0	194.04	0	284.52	56,904,664
2030	0	0	0	0	131.95	0	402.32	100%	100,578,994	0	0	0	0	0	197.92	0	287.37	100%	43,105,283	0	0	0	0	0	0	0	197.92	0	287.37	57,473,711
2031	0	0	0	0	134.59	0	406.34	100%	101,584,784	0	0	0	0	0	201.88	0	290.24	100%	43,536,336	0	0	0	0	0	0	0	201.88	0	290.24	58,048,448
2032	0	0	0	0	137.28	0	410.40	100%	102,600,631	0	0	0	0	0	205.92	0	293.14	100%	43,971,699	0	0	0	0	0	0	0	205.92	0	293.14	58,628,932
2033	0	0	0	0	140.02	0	414.51	100%	103,626,638	0	0	0	0	0	210.04	0	296.06	100%	44,411,416	0	0	0	0	0	0	0	210.04	0	296.06	59,215,222
2034	0	0	0	0	142.82	0	418.65	100%	104,662,904	0	0	0	0	0	214.24	0	299.04	100%	44,855,530	0	0	0	0	0	0	0	214.24	0	299.04	59,807,374
2035	0	0	0	0	145.68	0	422.84	100%	105,709,533	0	0	0	0	0	218.52	0	302.03	100%	45,304,086	0	0	0	0	0	0	0	218.52	0	302.03	60,405,448
2036	0	0	0	0	148.59	0	427.07	100%	106,766,678	0	0	0	0	0	222.89	0	305.05	100%	45,757,126	0	0	0	0	0	0	0	222.89	0	305.05	61,009,502
TOTAL	250,000	2,500,000	0	250,000	25,500,000	25,500,000	25,500,000	100%	1,837,333,341	0	150,000	22,950,000	22,950,000	100%	22,950,000	22,950,000	22,950,000	100%	796,000,089	796,000,089	200,000	3,000,000	3,000,000	200,000	200,000	150.00	31,212,000	31,212,000	100%	1,010,327,189

SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT
Development Projection - Buildout Plan (updated 7/21/19)

YEAR	Retail 3										Retail 4										Commercial Summary		
	SF Dev'd	Incr(Dscr) in Finished Lot Value @ 15%	Sqares Ft Completed	HW per Sq Ft	Market Value	Sales per Sq Ft	Lease-Up %	Annual Sales Tax Revenue @ 100%	SF Dev'd	Incr(Dscr) in Finished Lot Value @ 15%	Sqares Ft Completed	HW per Sq Ft	Market Value	Sales per Sq Ft	Lease-Up %	Annual Sales Tax Revenue @ 100%	Commercial Market Value	Total Commercial SF FT	Total Annual Taxable Sales Revenues	Value of Plotted & Developed Lots	Adjusted Value		
2016	0	0	0	\$150.00	\$0	\$250.00	0%	0	0	0	0	\$150.00	\$0	\$250.00	0%	0	0	0	0	0	0	0	
2017	0	0	0	153.00	0	252.50	0	0	0	0	0	153.00	0	252.50	0	0	0	0	0	0	0	0	
2018	250,000	3,750,000	250,000	156.06	39,786,300	255.03	25%	16,098,453	150,000	2,250,000	156.06	156.06	23,877,180	257.58	25%	9,659,072	48,450,000	400,000	31,562,500	0	4,750,000	0	
2019	0	(3,750,000)	250,000	159.18	39,786,300	257.58	25%	16,098,453	0	(2,250,000)	159.18	159.18	23,877,180	257.58	25%	9,659,072	31,212,000	200,000	108,345,625	0	(1,750,000)	0	
2020	0	0	0	182.36	0	260.15	75%	48,774,313	0	0	182.36	182.36	0	260.15	75%	29,266,888	63,672,400	400,000	193,181,438	0	(8,000,000)	0	
2021	0	0	0	185.61	0	262.75	100%	65,684,128	0	0	185.61	185.61	0	262.75	100%	39,412,877	0	0	266,151,003	0	0	0	
2022	0	0	0	186.92	0	265.38	100%	66,345,009	0	0	186.92	186.92	0	265.38	100%	39,807,006	0	0	269,027,764	0	0	0	
2023	0	0	0	172.30	0	268.03	100%	67,006,460	0	0	172.30	172.30	0	268.03	100%	40,205,076	0	0	291,918,041	0	0	0	
2024	0	0	0	175.75	0	270.71	100%	67,678,544	0	0	175.75	175.75	0	270.71	100%	40,607,126	0	0	294,837,222	0	0	0	
2025	0	0	0	179.26	0	273.42	100%	68,355,330	0	0	179.26	179.26	0	273.42	100%	41,013,198	0	0	297,785,594	0	0	0	
2026	0	0	0	182.85	0	276.16	100%	69,038,883	0	0	182.85	182.85	0	276.16	100%	41,423,330	0	0	300,763,450	0	0	0	
2027	0	0	0	186.51	0	278.92	100%	69,725,272	0	0	186.51	186.51	0	278.92	100%	41,837,563	0	0	303,771,084	0	0	0	
2028	0	0	0	190.24	0	281.71	100%	70,426,564	0	0	190.24	190.24	0	281.71	100%	42,255,939	0	0	306,808,795	0	0	0	
2029	0	0	0	194.04	0	284.52	100%	71,130,830	0	0	194.04	194.04	0	284.52	100%	42,678,498	0	0	309,876,883	0	0	0	
2030	0	0	0	197.92	0	287.37	100%	71,842,138	0	0	197.92	197.92	0	287.37	100%	43,105,283	0	0	312,975,652	0	0	0	
2031	0	0	0	201.88	0	290.24	100%	72,560,590	0	0	201.88	201.88	0	290.24	100%	43,536,336	0	0	316,105,409	0	0	0	
2032	0	0	0	205.92	0	293.14	100%	73,285,165	0	0	205.92	205.92	0	293.14	100%	43,971,699	0	0	319,266,463	0	0	0	
2033	0	0	0	210.04	0	296.08	100%	74,019,027	0	0	210.04	210.04	0	296.08	100%	44,411,418	0	0	322,459,127	0	0	0	
2034	0	0	0	214.24	0	299.04	100%	74,759,237	0	0	214.24	214.24	0	299.04	100%	44,855,530	0	0	325,683,719	0	0	0	
2035	0	0	0	218.52	0	302.03	100%	75,506,809	0	0	218.52	218.52	0	302.03	100%	45,304,086	0	0	328,940,596	0	0	0	
2036	0	0	0	222.89	0	305.05	100%	76,261,877	0	0	222.89	222.89	0	305.05	100%	45,757,126	0	0	332,229,961	0	0	0	
	250,000	0	250,000		39,786,300			1,198,513,580	150,000	0	150,000		23,877,180			718,108,148	143,334,480	1,000,000	5,581,282,547	0	0	0	

SOURCES AND USES OF FUNDS

**SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT
 SPECIAL REVENUE BONDS, SERIES 2017 (TAX-EXEMPT)**

Max size: 150x

2.00% Credit PIF + 2.00% Add-on PIF Revenues + 1.00% (Existing Sales*) PIF

Non-Rated, 25-yr. Maturity

(Sized on Growth thru 2017)

[Preliminary -- For Discussion only]

Dated Date 09/29/2017
 Delivery Date 09/29/2017

Sources:

Bond Proceeds:	
Par Amount	52,915,000.00
<hr/>	
	52,915,000.00
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Uses:

Project Fund Deposits:	
Project Fund	45,803,461.79
Other Fund Deposits:	
Capitalized Interest	499,588.21
Debt Service Reserve Fund	4,495,350.00
	<hr/>
	4,994,938.21
Delivery Date Expenses:	
Cost of Issuance	2,116,600.00
<hr/>	
	52,915,000.00
<hr/>	

Note: [*] 1.00% PIF on Existing Sales increases to 2.00% in 2024.

BOND SUMMARY STATISTICS

**SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT
SPECIAL REVENUE BONDS, SERIES 2017 (TAX-EXEMPT)**

Max size: 150x

2.00% Credit PIF + 2.00% Add-on PIF Revenues + 1.00% (Existing Sales*) PIF

Non-Rated, 25-yr. Maturity

(Sized on Growth thru 2017)

[Preliminary -- For Discussion only]

Dated Date	09/29/2017
Delivery Date	09/29/2017
First Coupon	12/01/2017
Last Maturity	12/01/2042
Arbitrage Yield	5.500770%
True Interest Cost (TIC)	5.500770%
Net Interest Cost (NIC)	5.500000%
All-In TIC	5.881880%
Average Coupon	5.500000%
Average Life (years)	17.843
Duration of Issue (years)	11.114
Par Amount	52,915,000.00
Bond Proceeds	52,915,000.00
Total Interest	51,929,247.64
Net Interest	51,929,247.64
Bond Years from Dated Date	944,168,138.89
Bond Years from Delivery Date	944,168,138.89
Total Debt Service	104,844,247.64
Maximum Annual Debt Service	9,025,525.00
Average Annual Debt Service	4,165,077.15
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	PV of 1 bp change
Term Bond due 2042	52,915,000.00	100.000	5.500%	17.843	71,435.25
	52,915,000.00			17.843	71,435.25

	TIC	All-In TIC	Arbitrage Yield
Par Value	52,915,000.00	52,915,000.00	52,915,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense			
- Other Amounts		-2,116,600.00	
Target Value	52,915,000.00	50,798,400.00	52,915,000.00
Target Date	09/29/2017	09/29/2017	09/29/2017
Yield	5.500770%	5.881880%	5.500770%

BOND DEBT SERVICE

**SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT
SPECIAL REVENUE BONDS, SERIES 2017 (TAX-EXEMPT)**

Max size: 150x

2.00% Credit PIF + 2.00% Add-on PIF Revenues + 1.00% (Existing Sales*) PIF

Non-Rated, 25-yr. Maturity

(Sized on Growth thru 2017)

[Preliminary -- For Discussion only]

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2017			501,222.64	501,222.64	501,222.64
06/01/2018			1,455,162.50	1,455,162.50	
12/01/2018			1,455,162.50	1,455,162.50	2,910,325.00
06/01/2019			1,455,162.50	1,455,162.50	
12/01/2019	615,000	5.500%	1,455,162.50	2,070,162.50	3,525,325.00
06/01/2020			1,438,250.00	1,438,250.00	
12/01/2020	685,000	5.500%	1,438,250.00	2,123,250.00	3,561,500.00
06/01/2021			1,419,412.50	1,419,412.50	
12/01/2021	755,000	5.500%	1,419,412.50	2,174,412.50	3,593,825.00
06/01/2022			1,398,650.00	1,398,650.00	
12/01/2022	835,000	5.500%	1,398,650.00	2,233,650.00	3,632,300.00
06/01/2023			1,375,687.50	1,375,687.50	
12/01/2023	915,000	5.500%	1,375,687.50	2,290,687.50	3,666,375.00
06/01/2024			1,350,525.00	1,350,525.00	
12/01/2024	1,095,000	5.500%	1,350,525.00	2,445,525.00	3,796,050.00
06/01/2025			1,320,412.50	1,320,412.50	
12/01/2025	1,190,000	5.500%	1,320,412.50	2,510,412.50	3,830,825.00
06/01/2026			1,287,687.50	1,287,687.50	
12/01/2026	1,295,000	5.500%	1,287,687.50	2,582,687.50	3,870,375.00
06/01/2027			1,252,075.00	1,252,075.00	
12/01/2027	1,405,000	5.500%	1,252,075.00	2,657,075.00	3,909,150.00
06/01/2028			1,213,437.50	1,213,437.50	
12/01/2028	1,520,000	5.500%	1,213,437.50	2,733,437.50	3,946,875.00
06/01/2029			1,171,637.50	1,171,637.50	
12/01/2029	1,645,000	5.500%	1,171,637.50	2,816,637.50	3,988,275.00
06/01/2030			1,126,400.00	1,126,400.00	
12/01/2030	1,775,000	5.500%	1,126,400.00	2,901,400.00	4,027,800.00
06/01/2031			1,077,587.50	1,077,587.50	
12/01/2031	1,915,000	5.500%	1,077,587.50	2,992,587.50	4,070,175.00
06/01/2032			1,024,925.00	1,024,925.00	
12/01/2032	2,060,000	5.500%	1,024,925.00	3,084,925.00	4,109,850.00
06/01/2033			968,275.00	968,275.00	
12/01/2033	2,215,000	5.500%	968,275.00	3,183,275.00	4,151,550.00
06/01/2034			907,362.50	907,362.50	
12/01/2034	2,375,000	5.500%	907,362.50	3,282,362.50	4,189,725.00
06/01/2035			842,050.00	842,050.00	
12/01/2035	2,550,000	5.500%	842,050.00	3,392,050.00	4,234,100.00
06/01/2036			771,925.00	771,925.00	
12/01/2036	2,730,000	5.500%	771,925.00	3,501,925.00	4,273,850.00
06/01/2037			696,850.00	696,850.00	
12/01/2037	2,925,000	5.500%	696,850.00	3,621,850.00	4,318,700.00
06/01/2038			616,412.50	616,412.50	
12/01/2038	3,130,000	5.500%	616,412.50	3,746,412.50	4,362,825.00
06/01/2039			530,337.50	530,337.50	
12/01/2039	3,345,000	5.500%	530,337.50	3,875,337.50	4,405,675.00
06/01/2040			438,350.00	438,350.00	
12/01/2040	3,570,000	5.500%	438,350.00	4,008,350.00	4,446,700.00
06/01/2041			340,175.00	340,175.00	
12/01/2041	3,815,000	5.500%	340,175.00	4,155,175.00	4,495,350.00
06/01/2042			235,262.50	235,262.50	
12/01/2042	8,555,000	5.500%	235,262.50	8,790,262.50	9,025,525.00
	52,915,000		51,929,247.64	104,844,247.64	104,844,247.64

NET DEBT SERVICE

**SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT
SPECIAL REVENUE BONDS, SERIES 2017 (TAX-EXEMPT)**

Max size: 150x

2.00% Credit PIF + 2.00% Add-on PIF Revenues + 1.00% (Existing Sales*) PIF

Non-Rated, 25-yr. Maturity

(Sized on Growth thru 2017)

[Preliminary -- For Discussion only]

Period Ending	Principal	Interest	Total Debt Service	Debt Service Reserve Fund	Capitalized Interest	Net Debt Service
12/01/2017		501,222.64	501,222.64		-501,222.64	
12/01/2018		2,910,325.00	2,910,325.00	-8,990.70		2,901,334.30
12/01/2019	615,000	2,910,325.00	3,525,325.00	-8,990.70		3,516,334.30
12/01/2020	685,000	2,876,500.00	3,561,500.00	-8,990.70		3,552,509.30
12/01/2021	755,000	2,838,825.00	3,593,825.00	-8,990.70		3,584,834.30
12/01/2022	835,000	2,797,300.00	3,632,300.00	-8,990.70		3,623,309.30
12/01/2023	915,000	2,751,375.00	3,666,375.00	-8,990.70		3,657,384.30
12/01/2024	1,095,000	2,701,050.00	3,796,050.00	-8,990.70		3,787,059.30
12/01/2025	1,190,000	2,640,825.00	3,830,825.00	-8,990.70		3,821,834.30
12/01/2026	1,295,000	2,575,375.00	3,870,375.00	-8,990.70		3,861,384.30
12/01/2027	1,405,000	2,504,150.00	3,909,150.00	-8,990.70		3,900,159.30
12/01/2028	1,520,000	2,426,875.00	3,946,875.00	-8,990.70		3,937,884.30
12/01/2029	1,645,000	2,343,275.00	3,988,275.00	-8,990.70		3,979,284.30
12/01/2030	1,775,000	2,252,800.00	4,027,800.00	-8,990.70		4,018,809.30
12/01/2031	1,915,000	2,155,175.00	4,070,175.00	-8,990.70		4,061,184.30
12/01/2032	2,060,000	2,049,850.00	4,109,850.00	-8,990.70		4,100,859.30
12/01/2033	2,215,000	1,936,550.00	4,151,550.00	-8,990.70		4,142,559.30
12/01/2034	2,375,000	1,814,725.00	4,189,725.00	-8,990.70		4,180,734.30
12/01/2035	2,550,000	1,684,100.00	4,234,100.00	-8,990.70		4,225,109.30
12/01/2036	2,730,000	1,543,850.00	4,273,850.00	-8,990.70		4,264,859.30
12/01/2037	2,925,000	1,393,700.00	4,318,700.00	-8,990.70		4,309,709.30
12/01/2038	3,130,000	1,232,825.00	4,362,825.00	-8,990.70		4,353,834.30
12/01/2039	3,345,000	1,060,675.00	4,405,675.00	-8,990.70		4,396,684.30
12/01/2040	3,570,000	876,700.00	4,446,700.00	-8,990.70		4,437,709.30
12/01/2041	3,815,000	680,350.00	4,495,350.00	-8,990.70		4,486,359.30
12/01/2042	8,555,000	470,525.00	9,025,525.00	-4,504,340.70		4,521,184.30
	52,915,000	51,929,247.64	104,844,247.64	-4,720,117.50	-501,222.64	99,622,907.50

BOND SOLUTION

**SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT
SPECIAL REVENUE BONDS, SERIES 2017 (TAX-EXEMPT)**

Max size: 150x

2.00% Credit PIF + 2.00% Add-on PIF Revenues + 1.00% (Existing Sales*) PIF

Non-Rated, 25-yr. Maturity

(Sized on Growth thru 2017)

[Preliminary -- For Discussion only]

Period Ending	Proposed Principal	Proposed Debt Service	Debt Service Adjustments	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
12/01/2017		501,223	-501,223		1,387,500	1,387,500	
12/01/2018		2,910,325	-8,991	2,901,334	3,951,625	1,050,291	136.20026%
12/01/2019	615,000	3,525,325	-8,991	3,516,334	5,279,018	1,762,683	150.12843%
12/01/2020	685,000	3,561,500	-8,991	3,552,509	5,331,808	1,779,298	150.08568%
12/01/2021	755,000	3,593,825	-8,991	3,584,834	5,385,126	1,800,291	150.21966%
12/01/2022	835,000	3,632,300	-8,991	3,623,309	5,438,977	1,815,668	150.11076%
12/01/2023	915,000	3,666,375	-8,991	3,657,384	5,493,367	1,835,982	150.19933%
12/01/2024	1,095,000	3,796,050	-8,991	3,787,059	5,682,317	1,895,258	150.04564%
12/01/2025	1,190,000	3,830,825	-8,991	3,821,834	5,739,141	1,917,306	150.16717%
12/01/2026	1,295,000	3,870,375	-8,991	3,861,384	5,796,532	1,935,148	150.11539%
12/01/2027	1,405,000	3,909,150	-8,991	3,900,159	5,854,497	1,954,338	150.10918%
12/01/2028	1,520,000	3,946,875	-8,991	3,937,884	5,913,042	1,975,158	150.15785%
12/01/2029	1,645,000	3,988,275	-8,991	3,979,284	5,972,173	1,992,888	150.08158%
12/01/2030	1,775,000	4,027,800	-8,991	4,018,809	6,031,894	2,013,085	150.09158%
12/01/2031	1,915,000	4,070,175	-8,991	4,061,184	6,092,213	2,031,029	150.01076%
12/01/2032	2,060,000	4,109,850	-8,991	4,100,859	6,153,135	2,052,276	150.04503%
12/01/2033	2,215,000	4,151,550	-8,991	4,142,559	6,214,667	2,072,108	150.01998%
12/01/2034	2,375,000	4,189,725	-8,991	4,180,734	6,276,813	2,096,079	150.13663%
12/01/2035	2,550,000	4,234,100	-8,991	4,225,109	6,339,582	2,114,472	150.04539%
12/01/2036	2,730,000	4,273,850	-8,991	4,264,859	6,402,977	2,138,118	150.13338%
12/01/2037	2,925,000	4,318,700	-8,991	4,309,709	6,467,007	2,157,298	150.05669%
12/01/2038	3,130,000	4,362,825	-8,991	4,353,834	6,531,677	2,177,843	150.02126%
12/01/2039	3,345,000	4,405,675	-8,991	4,396,684	6,596,994	2,200,310	150.04475%
12/01/2040	3,570,000	4,446,700	-8,991	4,437,709	6,662,964	2,225,255	150.14422%
12/01/2041	3,815,000	4,495,350	-8,991	4,486,359	6,729,594	2,243,234	150.00122%
12/01/2042	8,555,000	9,025,525	-4,504,341	4,521,184	6,796,890	2,275,705	150.33427%
	52,915,000	104,844,248	-5,221,340	99,622,908	150,521,530	50,898,623	

SOURCES AND USES OF FUNDS

**SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT
 SPECIAL REVENUE BONDS, SERIES 2019 (TAX-EXEMPT)
 \$51,196,540 New Money Project (\$97.000M total)
 2.00% Credit PIF + 2.00% Add-on PIF Revenues + 1.00% (Existing Sales*) PIF
 Non-Rated, 25-yr. Maturity
 (Sized on All Growth)
 [Preliminary -- For Discussion only]**

Dated Date 12/01/2019
 Delivery Date 12/01/2019

Sources:

Bond Proceeds:	
Par Amount	59,535,000.00
	59,535,000.00

Uses:

Project Fund Deposits:	
Project Fund	51,196,540.00
Other Fund Deposits:	
Debt Service Reserve Fund	5,953,500.00
Delivery Date Expenses:	
Cost of Issuance	2,381,400.00
Other Uses of Funds:	
Bond Rounding	3,560.00
	59,535,000.00

Note: [*] 1.00% PIF on Existing Sales increases to 2.00% in 2024.

BOND SUMMARY STATISTICS

**SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT
SPECIAL REVENUE BONDS, SERIES 2019 (TAX-EXEMPT)
\$51,196,540 New Money Project (\$97.000M total)
2.00% Credit PIF + 2.00% Add-on PIF Revenues + 1.00% (Existing Sales*) PIF
Non-Rated, 25-yr. Maturity
(Sized on All Growth)
[Preliminary -- For Discussion only]**

Dated Date	12/01/2019
Delivery Date	12/01/2019
First Coupon	06/01/2020
Last Maturity	12/01/2044
Arbitrage Yield	5.500000%
True Interest Cost (TIC)	5.500000%
Net Interest Cost (NIC)	5.500000%
All-In TIC	5.865954%
Average Coupon	5.500000%
Average Life (years)	19.023
Duration of Issue (years)	11.575
Par Amount	59,535,000.00
Bond Proceeds	59,535,000.00
Total Interest	62,288,875.00
Net Interest	62,288,875.00
Bond Years from Dated Date	1,132,525,000.00
Bond Years from Delivery Date	1,132,525,000.00
Total Debt Service	121,823,875.00
Maximum Annual Debt Service	15,387,175.00
Average Annual Debt Service	4,872,955.00
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	PV of 1 bp change
Term Bond due 2044	59,535,000.00	100.000	5.500%	19.023	80,372.25
	59,535,000.00			19.023	80,372.25

	TIC	All-in TIC	Arbitrage Yield
Par Value	59,535,000.00	59,535,000.00	59,535,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense			
- Other Amounts		-2,381,400.00	
Target Value	59,535,000.00	57,153,600.00	59,535,000.00
Target Date	12/01/2019	12/01/2019	12/01/2019
Yield	5.500000%	5.865954%	5.500000%

BOND DEBT SERVICE

**SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT
SPECIAL REVENUE BONDS, SERIES 2019 (TAX-EXEMPT)
\$51,196,540 New Money Project (\$97.000M total)
2.00% Credit PIF + 2.00% Add-on PIF Revenues + 1.00% (Existing Sales*) PIF
Non-Rated, 25-yr. Maturity
(Sized on All Growth)
[Preliminary -- For Discussion only]**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2020			1,637,212.50	1,637,212.50	
12/01/2020			1,637,212.50	1,637,212.50	3,274,425
06/01/2021			1,637,212.50	1,637,212.50	
12/01/2021	565,000	5.500%	1,637,212.50	2,202,212.50	3,839,425
06/01/2022			1,621,675.00	1,621,675.00	
12/01/2022	635,000	5.500%	1,621,675.00	2,256,675.00	3,878,350
06/01/2023			1,604,212.50	1,604,212.50	
12/01/2023	710,000	5.500%	1,604,212.50	2,314,212.50	3,918,425
06/01/2024			1,584,687.50	1,584,687.50	
12/01/2024	780,000	5.500%	1,584,687.50	2,364,687.50	3,949,375
06/01/2025			1,563,237.50	1,563,237.50	
12/01/2025	865,000	5.500%	1,563,237.50	2,428,237.50	3,991,475
06/01/2026			1,539,450.00	1,539,450.00	
12/01/2026	950,000	5.500%	1,539,450.00	2,489,450.00	4,028,900
06/01/2027			1,513,325.00	1,513,325.00	
12/01/2027	1,045,000	5.500%	1,513,325.00	2,558,325.00	4,071,650
06/01/2028			1,484,587.50	1,484,587.50	
12/01/2028	1,140,000	5.500%	1,484,587.50	2,624,587.50	4,109,175
06/01/2029			1,453,237.50	1,453,237.50	
12/01/2029	1,245,000	5.500%	1,453,237.50	2,698,237.50	4,151,475
06/01/2030			1,419,000.00	1,419,000.00	
12/01/2030	1,355,000	5.500%	1,419,000.00	2,774,000.00	4,193,000
06/01/2031			1,381,737.50	1,381,737.50	
12/01/2031	1,470,000	5.500%	1,381,737.50	2,851,737.50	4,233,475
06/01/2032			1,341,312.50	1,341,312.50	
12/01/2032	1,590,000	5.500%	1,341,312.50	2,931,312.50	4,272,625
06/01/2033			1,297,587.50	1,297,587.50	
12/01/2033	1,720,000	5.500%	1,297,587.50	3,017,587.50	4,315,175
06/01/2034			1,250,287.50	1,250,287.50	
12/01/2034	1,865,000	5.500%	1,250,287.50	3,115,287.50	4,365,575
06/01/2035			1,199,000.00	1,199,000.00	
12/01/2035	2,005,000	5.500%	1,199,000.00	3,204,000.00	4,403,000
06/01/2036			1,143,862.50	1,143,862.50	
12/01/2036	2,165,000	5.500%	1,143,862.50	3,308,862.50	4,452,725
06/01/2037			1,084,325.00	1,084,325.00	
12/01/2037	2,325,000	5.500%	1,084,325.00	3,409,325.00	4,493,650
06/01/2038			1,020,387.50	1,020,387.50	
12/01/2038	2,495,000	5.500%	1,020,387.50	3,515,387.50	4,535,775
06/01/2039			951,775.00	951,775.00	
12/01/2039	2,680,000	5.500%	951,775.00	3,631,775.00	4,583,550
06/01/2040			878,075.00	878,075.00	
12/01/2040	2,875,000	5.500%	878,075.00	3,753,075.00	4,631,150
06/01/2041			799,012.50	799,012.50	
12/01/2041	3,075,000	5.500%	799,012.50	3,874,012.50	4,673,025
06/01/2042			714,450.00	714,450.00	
12/01/2042	3,300,000	5.500%	714,450.00	4,014,450.00	4,728,900
06/01/2043			623,700.00	623,700.00	
12/01/2043	8,095,000	5.500%	623,700.00	8,718,700.00	9,342,400
06/01/2044			401,087.50	401,087.50	
12/01/2044	14,585,000	5.500%	401,087.50	14,986,087.50	15,387,175
	59,535,000		62,288,875.00	121,823,875.00	121,823,875

NET DEBT SERVICE

**SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT
SPECIAL REVENUE BONDS, SERIES 2019 (TAX-EXEMPT)
\$51,196,540 New Money Project (\$97.000M total)
2.00% Credit PIF + 2.00% Add-on PIF Revenues + 1.00% (Existing Sales*) PIF
Non-Rated, 25-yr. Maturity
(Sized on All Growth)
[Preliminary -- For Discussion only]**

Period Ending	Principal	Interest	Total Debt Service	Debt Service Reserve Fund	Net Debt Service
12/01/2020		3,274,425	3,274,425	-11,907	3,262,518
12/01/2021	565,000	3,274,425	3,839,425	-11,907	3,827,518
12/01/2022	635,000	3,243,350	3,878,350	-11,907	3,866,443
12/01/2023	710,000	3,208,425	3,918,425	-11,907	3,906,518
12/01/2024	780,000	3,169,375	3,949,375	-11,907	3,937,468
12/01/2025	865,000	3,126,475	3,991,475	-11,907	3,979,568
12/01/2026	950,000	3,078,900	4,028,900	-11,907	4,016,993
12/01/2027	1,045,000	3,026,650	4,071,650	-11,907	4,059,743
12/01/2028	1,140,000	2,969,175	4,109,175	-11,907	4,097,268
12/01/2029	1,245,000	2,906,475	4,151,475	-11,907	4,139,568
12/01/2030	1,355,000	2,838,000	4,193,000	-11,907	4,181,093
12/01/2031	1,470,000	2,763,475	4,233,475	-11,907	4,221,568
12/01/2032	1,590,000	2,682,625	4,272,625	-11,907	4,260,718
12/01/2033	1,720,000	2,595,175	4,315,175	-11,907	4,303,268
12/01/2034	1,865,000	2,500,575	4,365,575	-11,907	4,353,668
12/01/2035	2,005,000	2,398,000	4,403,000	-11,907	4,391,093
12/01/2036	2,165,000	2,287,725	4,452,725	-11,907	4,440,818
12/01/2037	2,325,000	2,168,650	4,493,650	-11,907	4,481,743
12/01/2038	2,495,000	2,040,775	4,535,775	-11,907	4,523,868
12/01/2039	2,680,000	1,903,550	4,583,550	-11,907	4,571,643
12/01/2040	2,875,000	1,756,150	4,631,150	-11,907	4,619,243
12/01/2041	3,075,000	1,598,025	4,673,025	-11,907	4,661,118
12/01/2042	3,300,000	1,428,900	4,728,900	-11,907	4,716,993
12/01/2043	8,095,000	1,247,400	9,342,400	-11,907	9,330,493
12/01/2044	14,585,000	802,175	15,387,175	-5,965,407	9,421,768
	59,535,000	62,288,875	121,823,875	-6,251,175	115,572,700

BOND SOLUTION

**SCHLUP (JOHNSTOWN) METROPOLITAN DISTRICT
SPECIAL REVENUE BONDS, SERIES 2019 (TAX-EXEMPT)
\$51,196,540 New Money Project (\$97.000M total)
2.00% Credit PIF + 2.00% Add-on PIF Revenues + 1.00% (Existing Sales*) PIF
Non-Rated, 25-yr. Maturity
(Sized on All Growth)
[Preliminary -- For Discussion only]**

Period Ending	Proposed Principal	Proposed Debt Service	Debt Service Adjustments	Existing Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
12/01/2020		3,274,425	-11,907	3,552,509	6,815,027	10,534,828	3,719,800	154.58233%
12/01/2021	565,000	3,839,425	-11,907	3,584,834	7,412,352	11,691,186	4,278,834	157.72572%
12/01/2022	635,000	3,878,350	-11,907	3,623,309	7,489,752	11,808,098	4,318,346	157.65672%
12/01/2023	710,000	3,918,425	-11,907	3,657,384	7,563,902	11,926,179	4,362,277	157.67230%
12/01/2024	780,000	3,949,375	-11,907	3,787,059	7,724,527	12,179,458	4,454,930	157.67253%
12/01/2025	865,000	3,991,475	-11,907	3,821,834	7,801,402	12,301,252	4,499,850	157.68001%
12/01/2026	950,000	4,028,900	-11,907	3,861,384	7,878,377	12,424,265	4,545,887	157.70081%
12/01/2027	1,045,000	4,071,650	-11,907	3,900,159	7,959,902	12,548,507	4,588,605	157.64650%
12/01/2028	1,140,000	4,109,175	-11,907	3,937,884	8,035,152	12,673,992	4,638,840	157.73183%
12/01/2029	1,245,000	4,151,475	-11,907	3,979,284	8,118,852	12,800,732	4,681,880	157.66677%
12/01/2030	1,355,000	4,193,000	-11,907	4,018,809	8,199,902	12,928,740	4,728,837	157.66944%
12/01/2031	1,470,000	4,233,475	-11,907	4,061,184	8,282,752	13,058,027	4,775,275	157.65324%
12/01/2032	1,590,000	4,272,625	-11,907	4,100,859	8,361,577	13,188,607	4,827,030	157.72870%
12/01/2033	1,720,000	4,315,175	-11,907	4,142,559	8,445,827	13,320,493	4,874,666	157.71686%
12/01/2034	1,865,000	4,365,575	-11,907	4,180,734	8,534,402	13,453,698	4,919,296	157.64078%
12/01/2035	2,005,000	4,403,000	-11,907	4,225,109	8,616,202	13,588,235	4,972,033	157.70562%
12/01/2036	2,165,000	4,452,725	-11,907	4,264,859	8,705,677	13,724,118	5,018,440	157.64561%
12/01/2037	2,325,000	4,493,650	-11,907	4,309,709	8,791,452	13,861,359	5,069,907	157.66859%
12/01/2038	2,495,000	4,535,775	-11,907	4,353,834	8,877,702	13,999,972	5,122,270	157.69815%
12/01/2039	2,680,000	4,583,550	-11,907	4,396,684	8,968,327	14,139,972	5,171,645	157.66566%
12/01/2040	2,875,000	4,631,150	-11,907	4,437,709	9,056,952	14,281,372	5,224,420	157.68408%
12/01/2041	3,075,000	4,673,025	-11,907	4,486,359	9,147,477	14,424,186	5,276,708	157.68485%
12/01/2042	3,300,000	4,728,900	-11,907	4,521,184	9,238,177	14,568,427	5,330,250	157.69807%
12/01/2043	3,095,000	9,342,400	-11,907		9,330,493	14,714,112	5,383,619	157.69919%
12/01/2044	14,585,000	15,387,175	-5,965,407		9,421,768	14,861,253	5,439,485	157.73316%
	59,535,000	121,823,875	-6,251,175	93,205,239	208,777,939	329,001,069	120,223,130	

EXHIBIT G

Form of District Disclosure Notice

**Johnstown Plaza Metropolitan District
Town of Johnstown, Larimer County, Colorado**

**Notice of Special District Disclosure
(to be provided to every purchaser of real property within the boundaries of the District)**

In accordance with § 32-1-104.8, Colorado Revised Statutes, Johnstown Plaza Metropolitan District (the "District") is required to submit a public disclosure to the Larimer County Clerk and Recorder for recording along with maps depicting the boundary of the District, attached hereto as **Exhibit A**. This document describes the District's organization, its powers, the debt it may issue and its financial powers, and describes how properties within the District are subject to the payment of property taxes used to pay debt service on District Debt.

1. District Organization. The District is a quasi-municipal corporation and is a political subdivision of the State of Colorado organized and existing as a metropolitan district pursuant to Title 32, Colorado Revised Statutes, pursuant to an Order and Decree of the District Court and recorded with the Larimer County Clerk and Recorder. The District is located entirely within the Town of Johnstown, Colorado (the "Town").

2. District's Powers and Service Plan. Powers and authorities of the District authorized by § 32-1-1004, Colorado Revised Statutes and the District's Service Plan approved by the Town as of the time of this filing: to provide the public improvements as described in the Service Plan 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 in the Service Plan and any intergovernmental agreement(s) between the District and the Town, as any or all of the same may be amended from time to time. A copy of the District's Service Plan is on file and available for review at the Office of the Town Clerk, the Division of Local Government or the District's general counsel, A.D. Schlup Law, LLC, 6917 West 135th Street, Suite B29, Overland Park, Kansas 66223.

3. District's Purpose and Sales Taxes. The District was organized for the purpose of financing of the "Public Improvements" within and, to the extent necessary, to improve or construct streets, parking lots, parking garages, traffic and safety improvements, water, sewer, drainage, storm sewer and related utilities or improvements to connect Public Improvements to existing infrastructure, without the boundary of the District, all to the extent and as more specifically defined in the Approved Development Plan(s) for the Project. Commercial Properties are subject to a 2.00% Credit PIF to pay for debt service and a 2.50% Add-On PIF to pay for debt service and for District expenses. When completed, the Public Improvements may be retained by the District or dedicated to the Town or other governmental entities, all for the use and benefit of the taxpayers or operated and maintained by a property owners association or as designated in approved development plans to the Town.

4. District Revenues. The District is authorized by Title 32 of the Colorado Revised Statutes and the District's Service Plan to use a number of methods to raise revenues for capital needs and general operation costs as limited by the District's Service Plan and intergovernmental agreement with the Town of Johnstown. 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.

5. District Bonds. The District may issue bonds to provide for the costs of capital improvements. Once the bonds are sold, they must be repaid over time with interest. The annual payment on the bonds is known as “debt service.” In order to meet the debt service requirements for the bonds, and to pay operations and maintenance associated with the provision of services and District administration and operating costs, the District may impose mill levies as authorized under the Service Plan.

6. Voter Authorization. Voter approval for the imposition of the District taxes under Section 20 of Article X of the Colorado Constitution has been obtained. Information concerning directors, management, meetings, elections and current taxes is provided annually in the Notice to Electors described in § 32-1-809(1), Colorado Revised Statutes, which can be found at the District’s office, on the District’s file, at the Division of Local Government in the State Department of Local Affairs (available from www.dola.colorado.gov/specialdistricts), or on file at the Office of the Clerk and Recorder of Larimer County.

[EXHIBIT A TO THIS DOCUMENT IS THE MAP OF THE DISTRICT]

EXHIBIT H

Intergovernmental Agreement

**INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF JOHNSTOWN
AND JOHNSTOWN PLAZA METROPOLITAN DISTRICT**

THIS AGREEMENT ("Agreement") is made and entered into to be effective as of the _____ day of _____ 2015, by and between the TOWN OF JOHNSTOWN, a home rule municipal corporation of the State of Colorado (the "Town"), and the JOHNSTOWN PLAZA METROPOLITAN DISTRICT, 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."

WITNESSETH:

WHEREAS, C.R.S. § 29-1-203 authorizes the Parties to cooperate and contract with one another regarding functions, services and facilities each is authorized to provide; and

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 August 17, 2015 (the "Service Plan"); and

WHEREAS, the Service Plan makes reference to the execution of an Intergovernmental Agreement between the Town and the District, and Operations and Maintenance Intergovernmental Agreement, and a Development and Financing Agreement; and

WHEREAS, the Parties have determined that any capitalized term not specifically defined in this Agreement shall have that meaning as set forth in the Service Plan; and

WHEREAS, the primary purpose of this Agreement is to provide contract remedies to the Town and District for certain failures to comply with the Service Plan; and

WHEREAS, the Parties have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Agreement to address construction, payment or reimbursement for the Public Improvements and certain matters related to the organization, powers and authorities of the District.

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:

1. Incorporation of Recitals. The foregoing recitals are hereby incorporated into and made a part of this Agreement.

2. Operations and Maintenance. The primary purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop, finance and operate and maintain Public Improvements. The District shall retain, operate, and maintain or shall dedicate the Public Improvements to the Town or other appropriate jurisdiction or owners association in a manner consistent with the Approved Development Plan and the Operations and Maintenance Intergovernmental Agreement, other rules and regulations of the Town, and applicable

provisions of the Town Code, all as directed by the Town provided, however, that the direction of the Town to convey a Public Improvement shall not require the District to convey an Improvement in a manner or to a recipient that would impair or terminate the tax exemption for any Tax Exempt Debt as confirmed by Bond Counsel. Unless otherwise specified in an intergovernmental agreement with the Town, all parks and trails within the District shall be open to the general public free of charge.

For any Public Improvement that is not conveyed to the Town or other entity as directed by the Town, the District shall administer, operate, maintain, repair, remove, or replace such Public Improvement in compliance with the applicable standards of the Town and the terms of the Operations and Maintenance Intergovernmental Agreement. The District shall not have the authority to issue any Bonds until the District and the Town have entered into the Operations and Maintenance Intergovernmental Agreement. The District shall hold an election to approve a ballot issue or issues required to commit to the financial obligations in the Operations and Maintenance Intergovernmental Agreement. Until such time as such ballot issue is approved, the District shall have no authority to incur Debt or certify a mill levy.

3. Covenant Enforcement. The District shall have the power to provide covenant enforcement and design review services within the District if the 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. The Town shall not bear any responsibility for covenant enforcement or 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.

4. Fire Protection and Ambulance 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 approved by Town Council. The District shall not be authorized to provide for ambulance or emergency medical services. 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.

5. Television Relay and Translation. The District shall be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain television relay and translation facilities and services, including the installation of conduit as a part of a street construction project.

6. Streets. The District shall have the authority to design, acquire, install, construct, operate and maintain street and roadway improvements including but not limited to curbs, gutters, culverts, storm sewers and other drainage facilities, detention ponds, retaining walls and appurtenances, as well as sidewalks, bridges, parking facilities, paving, lighting,

grading, streetscaping or landscaping, entry features, monuments, undergrounding of public utilities, snow removal equipment, parking lots, parking garages, pedestrian, bicycle, or tunnels and other street improvements, together with all necessary, incidental and appurtenant facilities, signage, land and easements, and all necessary extensions of and improvements to said facilities. Any and all streetscaping, landscaping, or entry monumentation in rights-of-way shall be maintained by the District. All improvements shall be designed and constructed in accordance with all applicable Town standards and regulations. The District will, subject to acceptance by the Town, dedicate all public street and roadway improvements to the Town for ownership and maintenance of such improvements in accordance with Town criteria for the Project.

7. Parks and Recreation. The District shall have the authority to establish, operate, and maintain parks and recreation facilities, services, and programs to the fullest extent allowed under the Special District Act and other relevant law, including but not limited to facilities for parks, playgrounds, trails, playing fields, tennis courts, recreation centers, water amenities, swimming pools, fishing, hunting, boating, skateboarding, and winter sports.

8. Mosquito Control. The District shall have the authority to provide for the elimination and control of mosquitos and pests by any available means.

9. Street safety. The District shall have the authority to provide safety protection facilities, services and programs, street overpasses and under passes, pedestrian and bicycle ways, bridges, signage, wayfinding signage, lights, signals, guardrails, and other street safety facilities, but not including fire protection or ambulance services.

10. Water. The District shall have the authority to provide potable and nonpotable water by any available means, but except by agreement with the Town, shall not be authorized to acquire water rights.

11. Sanitation. The District shall have the authority to provide sanitary sewers and storm drainage facilities, services, and programs.

12. Underground Utilities. The District shall have the authority to relocate above-ground utility facilities underground as allowed by law.

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

14. Transportation. The District shall have the authority to establish, maintain, and operate a system to transport the public by bus, rail, car-share or any other means of conveyance or any combination thereof and to enter into agreements and contracts for such service within or without the boundaries of the District.

15. Security Services. The Board of Directors of the District shall have the power to furnish security services within or for the District. Such power may be exercised by the District only after the District has provided written notification to, consulted with, and obtained the written consent of all local law enforcement agencies having jurisdiction in and over the District and the Town. In accordance with Section 32-1-1004(7), C.R.S., any local law enforcement agency having said jurisdiction may subsequently withdraw its consent after

consultation with and providing written notice of the withdrawal to the Board of Directors of the District. Prior to initiating any security-related services, the Board of Directors of the District shall provide advance written notification to the Town, which written notification shall include a description of the nature and extent of the security services to be furnished by the District and conform with all requirements set forth in the written consent provided by the Town Chief of Police.

16. 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 federal and state governmental entities having proper jurisdiction and of those special districts that qualify as “interested persons” under Section 32-1-204(1), C.R.S., as applicable. The District shall obtain the Town’s approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

17. Property Acquisition Limitation; Transfer Requirement. The District shall not exercise any power of eminent domain against the Town without the prior written consent of the Town Council acting by resolution or ordinance. The District shall at no expense to the Town and at the time requested by the Town transfer to the Town all rights-of-way, fee interests and easements that the Town determines are necessary for access to and operation and maintenance of the Public Improvements, consistent with Approved Development Plan(s). The District shall retain sufficient rights to access any rights-of-way, fee interests and easements required to perform the operation and maintenance obligations of the District as set forth in this Agreement, and any and all intergovernmental agreements with the Town.

18. Privately Placed Debt Limitations. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor 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 the District for the [insert the designation of the Debt] does not exceed a market [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.

The District may receive initial funding for both capital and ongoing administrative requirements from developer advances. Such advances may be made to the District subject to the District’s obligation to reimburse the same. The interest rate on developer reimbursements shall not exceed the limits set forth in the Development and Financing

Agreement. Developer reimbursements shall be subordinate to any other Bonds or Debt of the District.

In addition, the District shall, upon written request of the Town Manager, provide the Town with the then-current names and contact information for all holders of any privately placed Debt, if known.

19. Inclusion, Exclusion and Overlap Limitations. The District shall not include within its boundaries any property except as allowed by Article III of the Service Plan. Subject to that limitation, the District shall include within its boundaries only property that has been annexed to the Town and no portion of the District shall ever consist of property not within the Town's corporate boundaries. The District shall not approve a petition to exclude any property from the District without the prior written consent of the Town Council. The District shall not exclude any property from the District if such exclusion will result, or is reasonably anticipated to result, in detriment to the remaining residents and taxpayers within the District, or to the District's bondholders. Subject to the foregoing limitations, the District shall follow the procedure for inclusion and exclusion of property as provided in Section 32-1-401, *et seq.*, C.R.S., and Section 32-1-501, *et seq.*, C.R.S.

Following an inclusion, the applicable rates, fees, tolls, charges and penalties of the District will apply to the included property. Following an inclusion, the Credit PIF and Add-on PIF may apply to the included area only as set forth in the prior written consent of the Town Council, or as approved in the Development and Financing Agreement, an amendment to the Development and Financing Agreement or other intergovernmental agreement with the Town.

The territory within the District shall be excluded from the territory of the Thompson Crossing Metropolitan District No. 2.

20. Zoning and Land Use Requirements. The District shall be subject to all of the Town's zoning, subdivision, building code and other land use requirements.

21. Water Rights/Resources Limitation. The District shall not acquire, own, manage, adjudicate or develop water rights or resources except as otherwise provided pursuant to an intergovernmental agreement with the Town approved by the Town Code.

22. Reimbursement Agreement. If the District utilizes reimbursement agreements to obtain reimbursements from third-party developers or adjacent landowners for costs of improvements that benefit third-party landowners, such agreements shall be done in accordance with Town Code.

23. Total Debt Issuance Limitation.

(a) Except as provided in Section 24(c) below, the District shall not issue Debt in excess of \$150,000,000, which is estimated to provide an amount not to exceed net proceeds of \$90,000,000 for Public Improvements serving the Initial District Boundaries, as well as the traditional transactional and financing costs plus an amount to be mutually agreed upon by the Town and the District for costs incurred as a result of the timing on the purchase of property

for the public improvements and subsequent sale to the District, without the prior written consent of the Town.

(b) Unless otherwise approved by resolution of the Town Council, the District shall have no authority to incur Debt, certify a mill levy, or collect or expend any funds if the Developer or an affiliate thereof does not acquire all or substantially all of the property in the Initial District Boundaries by December 1, 2016.

(c) Notwithstanding any provision of the Service Plan to the contrary, if additional property is included into the District, the Total Debt Issuance Limitation may be increased as set forth in the Development and Financing Agreement, by an amendment to the Development and Financing Agreement, or other agreement with the Town without a requirement to amend the Service Plan to authorize such increase.

24. Monies from Other Governmental Sources. The District shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds or grants available from or through governmental or non-profit entities for which the Town is eligible to apply for or receive, except as may be specifically authorized by prior written consent from Town Council. This Section shall not apply to specific ownership taxes which shall be distributed to and constitute a revenue source for the District without any limitation.

25. Consolidation Limitation. The District shall not file a request with any Court to consolidate with any other Title 32 district without the prior written approval of the Town Council.

26. Bankruptcy Limitation. All of the limitations contained in this Service Plan 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. It is expressly intended that such limitations:

(a) shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Service Plan Amendment; 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).

Any Debt, issued with a pledge or which results in a pledge, not contemplated in the Service Plan, shall be deemed a material modification of the Service Plan pursuant to Section 32-1-207, C.R.S. unless such pledge is entered into with the prior written consent of the Town Council or has been approved by the Town as part of a Service Plan Amendment.

27. 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. The

District shall have ability to use CPIF and Add-On PIF revenues of the District to pay debt service, to pay for capital improvements authorized by the Service Plan and, after termination of the Credit PIF, may use Add-On-PIF Revenues in addition to other revenues for operation, maintenance, and administrative costs of the District. 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 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.

28. Service Plan Amendment Requirement. The Service Plan is general in nature and does not include specific detail in some instances because development plans have not been finalized. The Service Plan has been designed with sufficient flexibility to enable the District to provide required Public Improvements under evolving circumstances without the need for numerous amendments. Modification of the general types of services and facilities making up the Public Improvements, and changes in proposed configurations, locations or dimensions of the Public Improvements shall be permitted to accommodate development needs consistent with the then-current Approved Development Plan(s) for the Project, subject to the limitations of the Service Plan and this Agreement.

The District is an independent unit of local government, separate and distinct from the Town, and its activities are subject to review by the Town only insofar as they may deviate in a material manner from the requirements of the Service Plan, the Town Code, the Intergovernmental Agreement, the Development and Financing Agreement or other agreement with the Town. However, actions of the District which: (1) materially violate the limitations set forth in Sections V.A.1-27 of the Service Plan; (2) violate the limitations set forth in Section VI.B-J of the Service Plan; (3) constitute a material modification under the provisions of state law, this Service Plan or Town Code; or (4) constitute a failure to comply with the Intergovernmental Agreement, the Development and Financing Agreement or other agreement with the Town, which non-compliance has not been waived by the Town in a writing approved by the Town Council or Manager. Written notice of non-compliance shall be provided to the District and an opportunity to come into compliance provided. Failure to cure the non-compliance may be deemed by Town Council to be a material modification to this Service Plan. and the Town shall be entitled to all remedies available under State and local law to enjoin such action(s) of the District.

29. Modifications. Any Town approval requirements contained in the Service Plan (including, without limitation, any provisions requiring that a change, request, occurrence, act or omission be treated as a Service Plan Amendment or be deemed a "material modification" of the Service Plan) shall remain in full force and effect, and, unless otherwise provided by resolution of the Town Council, such Town approval shall continue to be required, notwithstanding any future change in law modifying or repealing any statutory provision concerning service plans, amendments thereof or modifications thereto.

30. Payment of Costs. The District shall be responsible for payment of the Town consultant, legal and administrative costs associated with the review and processing of any modification or amendment of this Service Plan or any administrative approval requested or required of the Town in effecting the provisions hereof. The District shall also be responsible for the consultant, legal and administrative costs associated with the drafting and execution of the Development and Financing Agreement, the Operations and Maintenance Intergovernmental Agreement and any other agreements between the Town and the District arising from the requirements of this Service Plan, including any amendments to such agreements, and associated with the review, approvals and other requirements contained in Article VI, Sections (I) and (J) of the Service Plan. The Town may require a deposit of such estimated costs.

31. Revenue Raising Powers. The District may raise and spend revenue by any means available under the Special District Act, and TABOR as applicable, for the purposes of fulfilling its obligations under this Agreement.

32. Miscellaneous.

A. Effective Date. This Agreement shall be in full force and effect and be legally binding upon final approval of the governing bodies of the Parties. No Debt shall be issued by the District until after the effective date of this Agreement and compliance with the other limitations set forth in the Service Plan and this Agreement.

B. Nonassignability. No party to this Agreement may assign any interest therein to any person without the consent of the other party hereto at that time, and the terms of this Agreement shall inure to the benefit of and be binding upon the respective representatives and successors of each party hereto.

C. Amendments. This Agreement may be amended from time to time by written amendment, duly authorized and signed by representatives of the parties hereto.

D. Severability. If any section, subsection, paragraph, clause, phrase, or other provision of this Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause, phrase, or other provision shall not affect any of the remaining provisions of this Agreement.

E. Execution of Documents. This Agreement shall be executed in counterparts, either of which shall be regarded for all purposes as one original. Each party agrees that it will execute any and all deeds, instruments, documents, and resolutions or ordinances necessary to give effect to the terms of this Agreement.

F. Waiver. No waiver by either party of any term or condition of this Agreement shall be deemed or construed as a waiver of any other term or condition, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different provision of this Agreement.

G. Default/Remedies. In the event of a breach or default of this Agreement by any party, the non-defaulting party shall be entitled to exercise all remedies available at 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, the prevailing party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees.

H. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for all actions brought hereunder shall be in the District Court in and for Larimer County.

I. 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.

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

K. No Third Party Beneficiaries. No person or entity who or which is not a party to this Agreement will have any right of action under this Agreement.

L. Entirety. This Agreement merges and supersedes all prior negotiations, representations, and agreements between the parties hereto relating to the subject matter hereof and this Agreement, together with the Service Plan provisions that serve to supplement or complement this Agreement, constitutes the entire agreement between the Parties concerning the subject matter hereof.

IN WITNESS WHEREOF, this Agreement is executed by the Town and the District as of the date first above written.

TOWN OF JOHNSTOWN, COLORADO

Mark Romanowski, Mayor

ATTEST:

Diana Seele, Town Clerk

APPROVED AS TO FORM:

Avi Rocklin, Town Attorney

**JOHNSTOWN PLAZA
METROPOLITAN DISTRICT**

By: _____
President

Attest:

By: _____
Secretary