

January 28, 2010

El Paso County
c/o Craig Dossey
El Paso County Planning Department
2880 International Circle, Suite 110
Colorado Springs, CO 80910

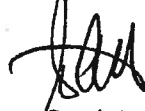
**Re: Amendment to Consolidated Service Plan for the 4-Way Ranch Metropolitan
Districts No. 1 & 2**

Dear Mr. Dossey:

In connection with our telephone conversation regarding the administrative error concerning the total authorized general obligation debt on the submitted Amendment to Service Plan, enclosed are three copies of the revised Amendment.

If you need any additional information, or should you have any questions, please feel free to contact me.

Very truly yours,
SETER & VANDER WALL, P.C.



Staci A. Usagani

/sau
Enclosures

4WAYRANCH\SPlanAM SAU1705 0735.0003E

4-WAY RANCH METROPOLITAN DISTRICTS NO. 1 & 2
FIRST AMENDMENT TO CONSOLIDATED SERVICE PLAN
El Paso County, Colorado

Submitted December 29, 2009, as corrected

I. INTRODUCTION

The Consolidated Service Plan (the "Original Service Plan") for the 4-Way Ranch Metropolitan Districts No. 1 & 2 (the "Districts") was approved by the Board of Commissioners of El Paso County on September 8, 2005 by County Resolution 05-381 ("County Resolution").

This First Amendment to the Consolidated Service Plan is submitted to the County for the purpose of updating the Districts' financial and improvements plans and authorizing the issuance of additional indebtedness, in order that the Districts may finance, construct and install additional improvements within the Districts.

Except as noted herein, the Districts' financial and jurisdictional limitations incorporated in the original Service Plan and County Resolution have not been modified, including the Districts' existing debt service and operations mill levy caps.

II. HISTORICAL BACKGROUND and EXECUTIVE SUMMARY

The Districts were organized in 2005 to serve the needs of a new predominantly residential community, with some commercial property and open space, known as "4-Way Ranch." The primary purpose of the Districts is to provide a central water system, roadway and other necessary public improvements and services for the use and benefit of the Districts' inhabitants and taxpayers, including sanitary sewer, drainage, roadway and park and recreation improvements.

The 4-Way Ranch Metropolitan Districts encompass the 4-Way Ranch development project, divided into two phases. The 4-Way Ranch project is generally located in north central El Paso County known as the Falcon area, between Eastonville Road and Highway 24 north of Stapleton Drive totaling 1,325 acres, planned for residential and commercial land uses. Current development activity in the project includes nine residential homes constructed in District No. 1. The 4-Way Ranch project has an anticipated build-out of approximately eight years for the first phase, and approximately twenty-one years to complete the second phase.

Since its formation, a central water system and related public improvements have been constructed and dedicated to District No. 1 for operation and maintenance. These water system improvements include wells, a water filtration plant building, piping, fire hydrants, and a 522,000 gallon potable water storage tank, constructed and installed within 4 Way Ranch Filing No. 1, necessary to provide water service to the Districts' customers.

Based on updated calculations, at build-out the Districts are projected to collectively have approximately \$151,044,000 in assessed valuation. Collectively, the Districts anticipate the issuance of debt up to \$74,000,000.00 in general obligation bonds and/or revenue bonds, to finance the necessary public improvements and District organization costs for the project, expected to take place in phased bond issuances. The estimated debt service mill levy is 35.000

mills over a 30-year period to pay the debt, with an additional operations mill levy not to exceed 10.000 mills.

III. DEVELOPMENT

Since the approval of the Original Service Plan, the Developer has completed and recorded the final plat for the 4-Way Ranch Subdivision Phase I, and the initial development of the area is complete, including the completed construction of a central water system and distribution system, roadways, storm drainage improvements, and the completion of residential homes in the community. Presently, the Developer is going through the platting process for the 4-Way Ranch Subdivision Filing No. 2 with the County, for the development of the commercial property. Each final plat filing will be subject to compliance with the El Paso County Master Plan and the El Paso County Land Development Code.

Development projections for the 4-Way Ranch project have been modified to provide for greater density of residential units and increased commercial square footage, as well as planning for the possibility of a central sewer system and related improvements, as may be necessary. The executive summary of an updated Market Study for the area dated September, 2009 prepared by King & Associates, is attached as **Exhibit A**. This Market Study provides an independent assessment and determination of development timing and absorption schedule involving land uses proposed for development and assists to demonstrate the projected demand and need for the Districts' services.

District No. 1 consists predominantly of residential property, with 42 lots already developed including 137 lots (minimum 2.5 acres), plus approximately 77 acres of mixed use commercial, including retail/restaurant, office/warehouse and medical/professional land uses. District No. 2 is anticipated to consist predominantly of residential property, with capacity for approximately 2,500 dwelling units, plus approximately 46 acres of mixed use commercial, also planned for retail/restaurant, office/warehouse and medical/professional land uses. Both Districts are planned to include open space with public park and recreation improvements.

IV. FINANCIAL PLAN ANALYSIS

The updated Financial Plan for Districts 1 and 2 is attached to this Amendment as **Exhibit B** illustrates how the proposed services and facilities may be financed and operated by the Districts, based on the updated development projections. The updated Financial Plan is intended to supersede the financial plan of the Original Service Plan.

The public improvements planned for the 4-Way Ranch project have increased in the amount of proposed facilities and their costs, as more particularly described in Section V of this Amendment. The combined total cost of the public improvements projected for 4-Way Ranch Metropolitan Districts No. 1 & 2 is One Hundred Nineteen Million Fifty-seven Thousand Seven Hundred Forty-three Dollars (\$119,057,743), inclusive of contingencies, engineering and construction management, and exclusive of costs of issuance, organizational costs, inflation and similar costs.

The projected amounts of bonded indebtedness for both Districts have increased as follows:

The 4-Way Ranch Metropolitan District No. 1 initially projects the issuance of a single series of bonds in approximately the amount of Twenty Million Dollars (\$20,000,000). The 4-Way Ranch Metropolitan District No. 2 initially projects the issuance of Fifty-four Million Dollars (\$54,000,000) of bonds in three phases.

The Districts' maximum authorized general obligation indebtedness shall not exceed Seventy-four Million Dollars (\$74,000,000) without prior express authorization of the County, and any increase in authorized general obligation debt beyond this amount shall constitute a material modification of the Service Plan.

This Amendment shall not affect the Districts' Debt Service Mill Levy Cap of 50.00 mills nor the Districts' additional limited operational mill levy of 10.00 mills, as set forth in the Original Service Plan.

V. INFRASTRUCTURE ANALYSIS

The updated Description of Districts' Facilities and Costs, for which the Districts plan to provide for their financing, design, construction, acquisition and installation based on the updated development projections, is attached to this Amendment as **Exhibit C**, and includes the costs in current dollars of each improvement, together with an explanation of the methods, basis and/or assumptions used. An updated map showing the revised location of the Phase I and Phase II roadway facilities is included as **Exhibit D**.

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An "Updated Central Water and Wastewater System Facilities Plan" dated August, 2009, prepared by JDS-Hydro Consultants, Inc., describing the Districts' water rights, water supply, water quality and treatment, water storage and proposed system and anticipated central sewer system improvement requirements relevant to the increased development projections is attached hereto as **Exhibit E**; this updated plan is intended to supersede the water system facilities plan included in the Original Service Plan.

VI. COUNTY APPROVAL

An increase in the Districts' debt limit is deemed to be a material modification of the Districts' Original Service Plan, pursuant to Section V.B. of the Original Service Plan. This

Amendment to Service Plan for the 4-Way Ranch Metropolitan Districts No. 1 and 2 meets the requirements of the provisions for the modification of a service plan set forth in the Special District Act, § 32-1-207(2), C.R.S., the applicable requirements of the Colorado Constitution, and those of El Paso County, El Paso Land Development Code, Sec. 9.3.

It is further submitted that other than as provided in this Amendment, the limitations and other terms and requirements contained the Original Service Plan continue in force, which include:

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Respectfully submitted,

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Barbara J. Vander Wall

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Respectfully submitted,

SETER & VANDER WALL, P.C.



Barbara T. Vander Wall
Counsel to 4-Way Ranch Metropolitan Districts No.
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EXHIBIT A
Market Study Executive Summary



King & Associates, Inc.

Strategic planning and economic analysis

**4-WAY RANCH
EL PASO COUNTY, COLORADO
MARKET RESEARCH REPORT**

COMPLETED FOR:
4-Way Ranch Metropolitan District #1 & #2

COMPLETED BY:
KING & ASSOCIATES, INC.
9003 W. COCO DRIVE
LITTLETON, COLORADO 80128
303.333.3834

DECEMBER 2009

- King & Associates, Inc. believes that 4-Way Ranch may experience higher absorption rates depending on the degree that the following elements are implemented within the project that typically characterize successful master planned communities.
 - A wide-range of housing product types at multiple price points.
 - A selection of capable local and national homebuilders.
 - A comprehensive marketing program.
 - Extensive design features – entry signage, landscaping, hardscaping, fencing, architectural treatments, etc. – that compare favorably with competitive Trade Area projects.

Trade Area Commercial Demand Forecast

- Trade area commercial demand has been forecast based on recent absorption trends.
- However, due to weak market conditions, commercial demand forecasts have been adjusted to reflect more stabilized market and economic conditions.
- During the near-term (2009 – 2013), annual Trade Area demand is projected to total 25,000 – 50,000 square feet for office, 200,000 to 300,000 square feet for retail and 25,000 to 50,000 square feet for industrial space.
- Projected near-term commercial demand in the Trade Area will likely be lower than forecast during the next twelve to eighteen months as the local economy improves and commercial market trends stabilize.
- Over the entire forecast period (2009 – 2025), annual Trade Area demand is projected to total 50,000 – 100,000 square feet for office, 250,000 to 350,000 square feet for retail and 50,000 to 75,000 square feet for industrial space.

4-Way Ranch Commercial Absorption Forecast

- Nearly 750,000 square feet of commercial space is planned in 4-Way Ranch.
- Of total projected commercial development in 4-Way Ranch, approximately 560,000 square feet of retail space is planned along with 100,000 square feet of office / warehouse and 80,000 square feet of medical office space.
- Commercial absorption has been projected in 4-Way Ranch.
 - From 2009 through 2013, 7,900 square feet of retail space is projected to absorb in the project.
 - The majority of commercial absorption is projected to occur during three remaining time periods with absorption of approximately 260,000 square feet of retail, office / warehouse and medical office space from 2014 – 2020, 264,000 square feet of retail and office / warehouse space from 2021 – 2025 and 211,000 square feet of retail and medical office development from 2026 – 2030.

4-Way Ranch Project Assessment

- 4-Way Ranch is located in an area that has accounted for approximately half of all new home construction activity in El Paso County during the past few years.
- The Trade Area is expected to continue its dominant share of the overall regional housing market in future years.

INTRODUCTION

King & Associates, Inc. has been retained by the 4-Way Ranch Metropolitan District #1 and #2 (the Districts) to provide an independent assessment and determination of development timing involving land uses proposed for development within the Districts. The Districts are located near the Town of Falcon in unincorporated El Paso County, Colorado at approximately Stapleton Drive and U. S. Highway 24. Overall, the Districts include 1,325 acres, with development anticipated to include primarily residential and commercial land uses. The purpose of this report is to assess the parameters of the project including proposed land uses, development intensity and sales potential along with providing a projection of development timing and schedule (absorption) in relation to anticipated conditions within the local and regional marketplace.

TRADE AREA

To analyze the demand for residential and commercial development planned within the 4-Way Ranch Metropolitan Districts a geographic trade area (Trade Area) has been identified. It is anticipated that the majority of customers who will purchase homes and utilize the commercial development planned within the Districts will live within the identified Trade Area. A larger Trade Area has been identified than would be typical for most master planned communities since 4-Way Ranch is located within an area that is a bedroom community to the metropolitan Colorado Springs area.

The Trade Area boundaries include Murphy Road on the north, the Curtis Road alignment on the east, Academy Boulevard (State Highway 83) on the west and State Highway 94 to the south. The following map outlines the trade area.

- 4-Way Ranch is a master planned community, which is anticipated to include a wide array of housing choices and amenities that will be attractive to homebuyers.
- The project is located adjacent to the Town of Falcon, a community with a rural character but is also near large-community amenities and service within Colorado Springs.
- The project includes a planned clubhouse facility, expansive in-project open space areas and trail network.
- The project is near major transportation routes providing access to employment, shopping and community facilities located in Colorado Springs.
- Initial development in the project has begun, with market awareness throughout the local building and home buying community.
- Due to location, project attributes and development program, 4-Way Ranch is well positioned to become a successful project within the Trade Area.

PROJECT DESCRIPTION

The 4-Way Ranch Metropolitan Districts #1 & #2 comprise approximately 1,325 acres located northwest of the intersection of Stapleton Drive and U. S. Highway 24 near the Town of Falcon, in unincorporated El Paso County, Colorado. The Districts entail a master planned community design concept that includes both residential and commercial land uses. In total, 3,065 single and multi-family residential units are planned in the Districts. Commercial development anticipated in the Districts includes 561,300 square feet of retail, slightly more than 100,000 square feet of office / warehouse space and nearly 80,000 square feet of medical office development. The following table summarizes development planned in 4-Way Ranch Metropolitan Districts #1 and #2.

It should be noted that a limited amount of residential development has occurred in the project. To date, nine single-family homes have been constructed in District #1 and two lots have sold to end-users.

4-WAY RANCH METROPOLITAN DISTRICTS #1 & #2 DEVELOPMENT PROGRAM

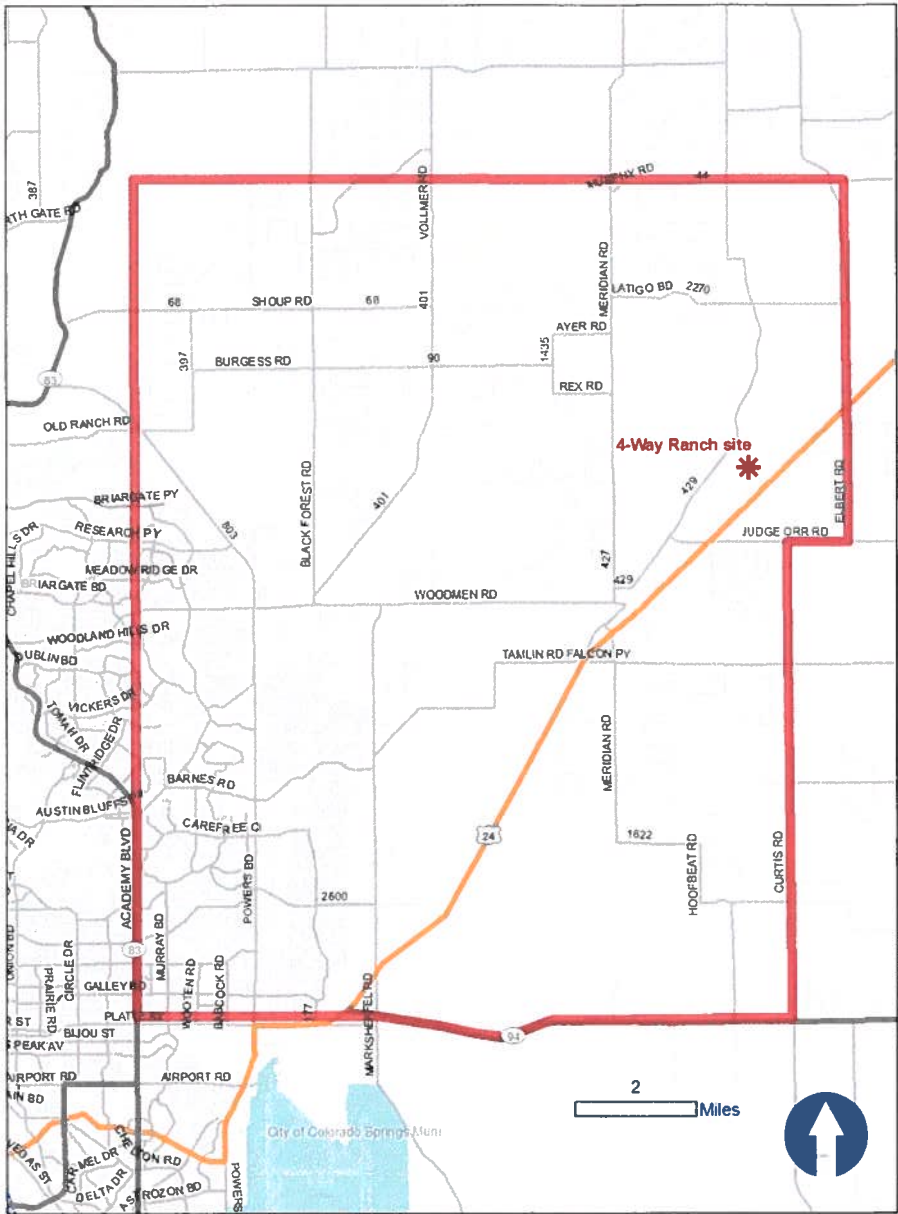
| Development Type / Location | Residential | | Retail | Commercial | |
|--------------------------------|---------------|--------------|----------------|----------------|---------------|
| | Single family | Multi-family | | Office/Whse. | Med. Office |
| <u>District 1</u> | | | | | |
| <i>Residential</i> | | | | | |
| Filing #1 | 40 | | | | |
| Filing #2 | 175 | | | | |
| Filing #3 | 175 | | | | |
| <i>Commercial</i> | | | | | |
| Parcel #1 | | 175 | 7,900 | 35,000 | |
| Parcel #2 | | | 17,000 | | |
| Parcel #3 | | | | 18,000 | |
| Parcel #4 | | | 155,100 | | |
| Parcel #5 | | | | | 53,600 |
| Parcel #6 | | | 51,300 | | |
| Total | 390 | 175 | 231,300 | 53,000 | 53,600 |
| <u>District 2</u> | | | | | |
| <i>Residential</i> | | | | | |
| Filings #1-#13 | 2,500 | | | | |
| <i>Commercial</i> | | | | | |
| Parcel #1 | | | 145,000 | 50,000 | |
| Parcel #2 | | | 185,000 | | 26,000 |
| Total | 2,500 | 0 | 330,000 | 50,000 | 26,000 |
| Overall total | 2,890 | 175 | 561,300 | 103,000 | 79,600 |

Source: 4-Way Ranch Metropolitan Districts #1 & #2.

Note: Planned retail development includes retail stores, pads, restaurants and big box users.

EXHIBIT B
Financial Plan

4-WAY RANCH - Trade Area Map



Source: King & Associates, Inc.

EXECUTIVE SUMMARY

Overview

- The 4-Way Ranch Metropolitan District #1 & #2 include 1,325 acres, planned for residential and commercial land uses located in El Paso County, Colorado.
- The Districts are located in a rapidly developing area near the Town of Falcon, Colorado, a bedroom community just outside of Colorado Springs.
- The land use plan for the project outlines the development of 3,065 residential housing units and nearly 750,000 square feet of commercial space.
- Development activity in the project has included 9 homes constructed in District #1, with 2 additional end-user lot sales on which home have not been constructed.

Demographics and Employment

- Population in El Paso County has increased at a rate of approximately 1.85% annually since 2000 and by a rate of 5.33% per year in the Trade Area.
- From 2009 through 2025, population in El Paso County is forecast to increase by rate of 1.84% annually, while stronger growth is forecast in the Trade Area with a projected average population growth rate of approximately 3.21% annually.
- The economy in Colorado Springs and surrounding El Paso County area has been negatively impacted by falling employment levels, slowing in the local housing market, fall-out from sub-prime mortgages and higher home foreclosure rates.
- Employment levels decreased in El Paso County with a loss of -2,100 jobs during 2008.
- Job losses have continued in El Paso County and employment levels have decreasing by -6,000 during the first half of 2009.
- Future employment growth in the Colorado Springs region is anticipated to increase slowly with a forecast .6% average annual growth rate.

Residential Market Trends and Demand Forecast – Region

- During 2008, the total number of residential building permits issued in the region fell -36% compared with 2007 activity.
- Through mid-year 2009, regional building activity continues to fall with the number of permits issued through July 2009 totaling 787 units, down 48% from the 1,517 units permitted in the region during the same period in 2008.
- New home sales have also declined during the past few years in El Paso County with sales totaling approximately 2,100 units in 2008, compared with nearly 3,100 sales in 2007.
- Through mid-year 2009 there have been 581 new homes sold in El Paso County, down 48% from 1,102 sales during the same period in 2008.
- Near-term housing demand (2009 – 2013) is projected to average 3,000 to 3,500 units per year in El Paso County with overall demand (2009 – 2025) of 4,000 to 4,500 units annually.
- However, during the next twelve to eighteen months, new home demand is anticipated to be less than forecast as the local housing market and economy begin to recover.

Residential Market Trends and Demand Forecast –Trade Area

- The Trade Area dominates the new housing market in the El Paso County region, capturing approximately 50% of new home sales during the past three years.
- In 2008, there were 870 new homes sold in 34 active residential projects in the Trade Area.
- Through mid-year 2009, new home sales have totaled 248 units in 25 active projects.
- Trade Area housing demand is projected to total 1,500 to 2,000 units per year during the 2009 – 2013 time period.
- Over the entire forecast period extending through 2025, housing demand in the Trade Area is projected to range from 2,500 to 3,000 units annually.
- As with the larger El Paso County region, Trade Area housing demand is anticipated to be less than forecast, reflecting slow recovery within the local housing market.

Competitive Projects –Trade Area

- Weak market conditions exist for larger-lot, custom and semi-custom homes in the Trade Area and throughout El Paso County.
- Paintbrush Hills (Falcon Hills) and portions of Meridian Ranch are currently the two most competitive projects, which would be comparable to the larger lot development areas in 4-Way Ranch.
- Residential development areas with suburban densities are also planned in 4-Way Ranch.
- Depending on development timing of these homes, competitive projects would primarily include Meridian Ranch and Falcon Highlands (Gables).
- In addition to currently active projects in the Trade Area, there are also several planned projects with suburban densities that are anticipated for development in the immediate Falcon area.

4-Way Ranch Residential Absorption Forecast

- With a review of market factors and competitive projects, King & Associates, Inc. has completed an absorption forecast for residential development in 4-Way Ranch.
- The residential absorption forecast extends from 2009 through 2030 and includes single-family and multi-family units.
- Over the entire forecast period, King & Associates, Inc. projects residential absorption to average nearly 140 units per year.
- During the near-term (2009 - 2013), increasing annual absorption averaging approximately 47 units per year is forecast, representing anticipated improvement in the local housing market.
- With average projected absorption of 140 units annually, 4-Way Ranch will account for approximately 6% of projected trade area housing demand over the entire forecast period.
- King & Associates, Inc. believes this to be reasonable since the average capture rate per project in the trade has equaled approximately 5% since 2006.

**4-Way Ranch Metropolitan District No's 1 and 2
Forecasted Statement of Sources
and Uses of Cash**

**For the Years Ending
December 31, 2009 through 2045**

4-Way Ranch Metropolitan District No's 1 and 2

Summary of Significant Assumptions and Accounting Policies December 31, 2009 through 2045

Note 6: Operating and Maintenance Expenses

District No 1 is forecasted to incur operating costs in the amount of \$50,000 per year. Operating expenses are forecasted to inflate at 2% per annum. It is expected that the developer will advance funds to the Districts until such time as the 10.000 mill levy forecasted to be imposed by District No's 1 and 2 are sufficient to cover the operating expenses. It is forecasted that the developer will be repaid the advances with interest at 7% per annum.

Note 7: Water and Sewer Operations

District No 1 is forecasted to operate water and sewer treatment and distribution systems and to serve the residents and the commercial property in District No's 1 and 2. The estimated costs per year are those described in the Engineer's report. Costs at build-out are forecasted to inflate at 5.0% per annum. The District intends to impose a monthly charge for potable and irrigation water at a forecasted average rate of \$47.00 per month and a month sewer charge of \$22.00 per month.

Note 8: Park and Recreation Maintenance

District No 1 is forecasted to provide park and recreation maintenance to the residents and commercial property in District No's 1 and 2 as indicated in Exhibit I. Park and recreation maintenance costs are forecasted to inflate at 2.5% per annum. The costs are expected to be paid from the 10.000 mill levy in the General Fund's of District No's 1 and 2.

Board of Directors
4-Way Ranch Metropolitan District No's 1 and 2
El Paso County, Colorado

We have compiled the accompanying forecasted statements of sources and uses of cash of the 4-Way Ranch Metropolitan District No's 1 and 2 (Exhibits I), the related projected debt service schedules (Exhibits II) and the analysis of absorption, development fees and assessed values (Exhibits III) for the years ending December 31, 2009 through 2045, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying statements or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

PRELIMINARY DRAFT....SUBJECT TO CHANGE

December 29, 2009

4-Way Ranch Metropolitan District No's 1 and 2

Summary of Significant Assumptions and Accounting Policies December 31, 2009 through 2045

The foregoing forecast presents, to the best of the District's knowledge and belief, the expected cash receipts and disbursements for the forecast period. Accordingly, the forecast reflects its judgment as of December 29, 2009. The assumptions disclosed herein are those that management believes are significant to the forecast. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

The purpose of this forecast is to show the amount of funds available for the future construction of infrastructure from the issuance of general obligation bonds by District No's 1 and 2, the available revenues for the repayment of the debt from a cap of 50.000 mills, the revenues and related costs associated with the proposed water / sewer distribution system in District No 1 and the available funds for operating costs by District No's 1 and 2 from the imposition of a 10.000 mill operating levy.

Note 1: Ad Valorem Taxes

The primary source of revenue for the District No's 1 and 2 will be the collection of ad valorem taxes. Residential property in District No's 1 and 2 is forecasted to be assessed at 7.96% of market values. Market values for 2,890 single family attached units are forecasted to range from \$350,000 to \$550,000 as of 2009. Finished lots are forecasted at 10% of completed market values. Market values for 175 multi-family units are forecasted at \$250,000 per unit. Commercial property in District No's 1 and 2 is forecasted to be assessed at 29% of market values. Market values for 743,900 square feet of commercial property is estimated to range from \$106 to \$210 per finished square foot. Market values for residential and commercial property are forecasted to inflate at 1% per year. All property is assumed to inflate at 2% biennially thereafter. Exhibits III detail the forecasted absorption, market values and related assessed values for District No's 1 and 2.

Property is assumed to be assessed annually as of January 1st. Property included in this forecast is assumed to be assessed on the January 1st subsequent to completion. The forecast recognizes the related property taxes as revenue in the subsequent year.

The County Treasurer currently charges a 1.5% fee for the collection of property taxes. These charges are reflected in the accompanying forecast as a reduction to the property tax revenue.

The mill levy imposed by the District No's 1 and 2 are proposed to equal 10.000 mills for the General Fund and 35.000 mills for the Debt Service Fund. The mill levies are subject to adjustment for changes in the ratio of assessed values to market values, provided that the total levy for each District is subject to a cap of 50.000 mills. It is forecasted that the General Fund mill levy will decrease for both District No's 1 and 2 as indicated in Exhibits I.

The forecast assumes that Specific Ownership Taxes collected on motor vehicle registrations will be 7% of property taxes collected. Specific Ownership Taxes are forecasted to be pledged to the repayment of debt.

4-Way Ranch Metropolitan District No's 1 and 2

Summary of Significant Assumptions and Accounting Policies December 31, 2009 through 2045

Note 2: Interest Income

Interest income is assumed to be earned at 2.0% per annum. Interest income is based on the year's beginning cash balance and an estimate of the timing of the receipt of revenues and the outflow of disbursements during the course of the year.

Note 3: Tap Fees

It is forecasted that District No's 1 and 2 will tap fees of \$16,000 for each single family detached residential home and each single family equivalent of commercial property and a fee of \$10,000 on each multi-family residential home. It is forecasted that the commercial property will equate to 293 single family equivalents. Exhibits III detail the collection of the above fees by year. The \$16,000 fee is comprised of a water system development fee of \$10,000, a sewer system development fee of \$5,000 and a water resource development fee of \$1,000. It is anticipated that the \$1,000 water system development fees will be paid to the developer as a one time water lease payment. The balance of the fees are forecasted to be pledged for the payment of principal and interest on the bonds described in Note 4.

Note 4: Bond Assumptions

District No. 1 forecasts the issuance of general obligation bonds totaling \$20,000,000 on June 1, 2012. The bonds are forecasted to have a maturity of 30 years from the date of issuance and are forecasted to carry a coupon rate of 7.00%. The net proceeds of the bonds after issuance costs of \$800,000, a reserve requirement of \$2,000,000 and capitalized interest in the amount of \$1,400,000 are forecasted to be available for capital improvements and the repayment of developer advances.

District No. 2 forecasts the issuance of general obligation bonds totaling \$54,000,000 in three series in 2011, 2015 and 2018. The bonds are forecasted to have a maturities of up to 30 years from the date of issuance and are forecasted to carry a coupon rate of 7.00%. The net proceeds of the bonds after issuance costs, reserve funds and capitalized interest as indicated in Exhibit I for District No. 2, are forecasted to be available for capital improvements and the repayment of developer advances.

The bonds are anticipated to be secured by a limited mill levy not to exceed 50.000 mills and the reserve funds described above. A portion of the tap fees described in Note 3 are pledged for debt service.

Note 5: District Improvements

Construction costs for district improvements for District No 1 are forecasted to total \$31,541,920 and for District No 2 the improvements are forecasted to total \$87,515,823. A portion of the improvement costs totaling \$12,941,920 for District No 1 and \$37,855,423 for District No 2 are not forecasted to be funded from the bond issues described in Note 4. It is projected that these improvements will be contributed to the Districts.

4-Way Ranch Metropolitan District No 1

4 Way Ranch Metropolitan District No. 1
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2009 through 2041

| | Total | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|-------------------------------------|-------------------|---------------|----------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Debt Service Fund | | | | | | | | | | | | |
| Beginning cash available | \$ - | \$ - | \$ 77,288 | \$ 275,255 | \$ 641,458 | \$ 4,124,514 | \$ 3,809,350 | \$ 5,075,615 | \$ 3,760,858 | \$ 4,434,802 | \$ 3,816,755 | \$ 3,518,485 |
| Revenues | | | | | | | | | | | | |
| Property taxes | 30,748,242 | 41,895 | 43,117 | 45,511 | 58,041 | 100,144 | 160,160 | 231,817 | 426,942 | 515,965 | 959,112 | 1,018,551 |
| Specific ownership taxes | 2,398,784 | 3,771 | 3,881 | 4,096 | 5,224 | 9,013 | 14,414 | 20,864 | 38,425 | 46,437 | 86,320 | 83,521 |
| Tap Fees | 9,903,634 | 32,000 | 160,000 | 330,636 | 720,000 | 960,000 | 2,566,000 | 800,000 | 2,734,997 | 800,000 | 640,000 | 160,000 |
| Transfer from Capital Project Fund | 3,400,000 | | | | 3,400,000 | | | | | | | |
| Interest income | 1,702,630 | 4,250 | 3,616 | 9,308 | 47,662 | 79,182 | 89,593 | 88,039 | 82,921 | 82,290 | 73,184 | 67,545 |
| | 48,153,290 | 81,918 | 210,614 | 389,551 | 4,230,927 | 1,148,339 | 2,830,167 | 1,140,720 | 3,283,285 | 1,444,692 | 1,758,616 | 1,329,617 |
| Expenditures | | | | | | | | | | | | |
| Debt service - Series 2012 | 46,503,925 | | | | 700,000 | 1,400,000 | 1,400,000 | 2,400,000 | 2,430,000 | 2,003,000 | 2,000,500 | 1,544,500 |
| Water lease payment | 752,795 | 2,000 | 10,000 | 20,665 | 45,000 | 60,000 | 159,500 | 50,000 | 170,937 | 50,000 | 40,000 | 10,000 |
| Paying agent / trustee fees | 64,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| County treasurer fees | 461,219 | 628 | 647 | 683 | 871 | 1,502 | 2,402 | 3,477 | 6,404 | 7,739 | 14,387 | 15,278 |
| | 47,781,939 | 4,628 | 12,647 | 23,348 | 747,871 | 1,463,502 | 1,563,902 | 2,455,477 | 2,609,341 | 2,062,739 | 2,056,887 | 1,571,778 |
| Ending cash available | \$ 371,351 | \$ 77,288 | \$ 275,255 | \$ 641,458 | \$ 4,124,514 | \$ 3,809,350 | \$ 5,075,615 | \$ 3,760,858 | \$ 4,434,802 | \$ 3,816,755 | \$ 3,518,485 | \$ 3,276,324 |
| Reserve Fund included above | | | | | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| Capitalized Interest included above | | | | | 700,000 | | | | | | | |
| Surplus Fund included above | | 77,288 | 275,255 | 641,458 | 1,424,514 | 1,809,350 | 3,075,615 | 1,760,858 | 2,434,802 | 1,816,755 | 1,518,485 | 1,276,324 |
| Mill Levy | | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 |
| Total Mill Levy | | 45.000 | 45.000 | 45.000 | 45.000 | 45.000 | 45.000 | 45.000 | 45.000 | 45.000 | 45.000 | 41.000 |

See Summary of Significant Assumptions and Accounting Policies

4 Way Ranch Metropolitan District No. 1
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2009 through 2041

| | Total | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | |
|------------------------------------|-------|-------------------|------------------|------------------|------------------|-------------------|------------------|------------------|------------------|----------------|------------------|------------------|------------------|
| General Fund | | | | | | | | | | | | | |
| Beginning cash available | \$ | - \$ | - \$ | - \$ | - \$ | 0 \$ | 0 \$ | 0 \$ | 0 \$ | (0) \$ | (0) \$ | (0) \$ | 177,783 |
| Revenues | | | | | | | | | | | | | |
| Property taxes | | 3,644,670 | 11,970 | 12,319 | 13,003 | 16,583 | 28,613 | 45,760 | 66,233 | 121,983 | 147,418 | 274,032 | 174,809 |
| Water / sewer service fees | | 59,495,870 | 5,796 | 14,076 | 31,186 | 109,846 | 200,926 | 416,517 | 540,717 | 785,753 | 930,653 | 1,087,973 | 1,220,453 |
| Transfer from District #2 | | 6,474,705 | | | | | 5,713 | 19,925 | 39,990 | 71,055 | 104,709 | 146,293 | 113,593 |
| Developer advances | | 869,082 | 133,084 | 137,721 | 195,227 | 192,032 | 194,209 | 16,809 | | | | | |
| | | <u>70,484,327</u> | <u>150,850</u> | <u>164,116</u> | <u>239,416</u> | <u>318,461</u> | <u>429,461</u> | <u>499,011</u> | <u>646,940</u> | <u>978,791</u> | <u>1,182,780</u> | <u>1,508,298</u> | <u>1,508,655</u> |
| Expenditures | | | | | | | | | | | | | |
| Water / sewer operations | | 41,048,807 | 78,670 | 90,430 | 159,314 | 231,403 | 325,889 | 383,514 | 439,675 | 497,785 | 561,056 | 620,708 | 678,667 |
| Park and recreation maintenance | | 8,552,576 | 22,000 | 22,501 | 27,887 | 33,749 | 49,022 | 59,607 | 70,791 | 83,255 | 96,505 | 250,000 | 256,250 |
| Administrative costs | | 2,305,579 | 50,000 | 51,000 | 52,020 | 53,060 | 54,122 | 55,204 | 56,308 | 57,434 | 58,583 | 59,755 | 60,950 |
| County treasurer fees | | 54,667 | 180 | 185 | 195 | 249 | 429 | 686 | 993 | 1,830 | 2,211 | 4,110 | 2,619 |
| Repay developer advances | | 1,278,027 | | | | | | | 79,173 | 338,487 | 464,425 | 395,942 | |
| | | <u>53,240,656</u> | <u>150,850</u> | <u>164,116</u> | <u>239,416</u> | <u>318,461</u> | <u>429,462</u> | <u>499,011</u> | <u>646,940</u> | <u>978,791</u> | <u>1,182,780</u> | <u>1,330,515</u> | <u>999,486</u> |
| Ending cash available | \$ | <u>17,243,671</u> | <u>- \$</u> | <u>- \$</u> | <u>0 \$</u> | <u>0 \$</u> | <u>0 \$</u> | <u>0 \$</u> | <u>(0) \$</u> | <u>(0) \$</u> | <u>(0) \$</u> | <u>177,783</u> | <u>686,953</u> |
| Mill Levy | | | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 6,000 |
| Capital Project Fund | | | | | | | | | | | | | |
| Beginning cash available | \$ | - \$ | - \$ | - \$ | - \$ | - \$ | 4,833,277 | - \$ | - \$ | - \$ | - \$ | - \$ | - \$ |
| Revenues | | | | | | | | | | | | | |
| Bond proceeds | | 20,000,000 | | | | 20,000,000 | | | | | | | |
| Developer advance | | 9,966,723 | 3,975,000 | 1,500,000 | 4,491,723 | | | | | | | | |
| Developer contribution | | 12,941,920 | | | | | 2,036,492 | 3,282,716 | 3,733,356 | 346,000 | 2,868,356 | 455,000 | 120,000 |
| | | <u>42,908,643</u> | <u>3,975,000</u> | <u>1,500,000</u> | <u>4,491,723</u> | <u>20,000,000</u> | <u>2,036,492</u> | <u>3,282,716</u> | <u>3,733,356</u> | <u>346,000</u> | <u>2,868,356</u> | <u>455,000</u> | <u>120,000</u> |
| Expenditures | | | | | | | | | | | | | |
| Issuance costs | | 800,000 | | | | 800,000 | | | | | | | |
| Transfer to Debt Service (Reserve) | | 2,000,000 | | | | 2,000,000 | | | | | | | |
| Transfer to Debt Service (Cap Int) | | 1,400,000 | | | | 1,400,000 | | | | | | | |
| Repay developer advances | | 9,966,723 | | | | 9,966,723 | | | | | | | |
| Capital - Water | | 11,134,016 | 2,100,000 | | | | 4,297,304 | | 2,368,356 | | 2,368,356 | | |
| Capital - Sewer | | 5,372,904 | | | 3,191,723 | | 322,465 | 1,858,716 | | | | | |
| Capital - Streets | | 15,035,000 | 1,875,000 | 1,500,000 | 1,300,000 | 4,000,000 | 2,050,000 | 1,424,000 | 1,365,000 | 346,000 | 500,000 | 455,000 | 120,000 |
| | | <u>42,908,643</u> | <u>3,975,000</u> | <u>1,500,000</u> | <u>4,491,723</u> | <u>15,366,723</u> | <u>6,689,769</u> | <u>3,282,716</u> | <u>3,733,356</u> | <u>346,000</u> | <u>2,868,356</u> | <u>455,000</u> | <u>120,000</u> |
| Ending cash available | \$ | <u>- \$</u> | <u>- \$</u> | <u>- \$</u> | <u>- \$</u> | <u>4,633,277</u> | <u>- \$</u> | <u>- \$</u> | <u>- \$</u> | <u>- \$</u> | <u>- \$</u> | <u>- \$</u> | <u>- \$</u> |

See Summary of Significant Assumptions and Accounting Policies

4 Way Ranch Metropolitan District No. 1
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2009 through 2041

| | Total | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|---------|
| Calculation of Assessed Valuation | | | | | | | | | | | | |
| Market values - residential homes (000's) | | | | | | | | | | | | |
| Beginning | | | 1,100 | 2,772 | 3,872 | 8,924 | 17,289 | 38,987 | 67,344 | 138,110 | 161,198 | 187,741 |
| Increase (see Exhibit III) | 230,112 | 1,100 | 1,650 | 1,100 | 4,974 | 8,365 | 21,353 | 28,356 | 69,419 | 23,088 | 23,319 | 23,552 |
| Biennial reassessment (1% per annum) | 61,659 | - | 22 | - | 77 | - | 346 | - | 1,347 | - | 3,224 | - |
| Ending market values | 281,771 | 1,100 | 2,772 | 3,872 | 8,924 | 17,289 | 38,987 | 67,344 | 138,110 | 161,198 | 187,741 | 211,293 |
| Residential assessment ratio | | 7.96% | 7.96% | 7.96% | 7.96% | 7.98% | 7.98% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% |
| Assessed value - residential (000's) | | 88 | 221 | 308 | 710 | 1,376 | 3,103 | 5,361 | 10,994 | 12,831 | 14,944 | 16,819 |
| Market values - lots & commercial | | | | | | | | | | | | |
| Beginning | | | 3,826 | 3,487 | 3,421 | 3,269 | 5,121 | 5,078 | 4,354 | 4,154 | 6,588 | 42,962 |
| Increase - commercial (see Exhibit III) | 50,695 | - | - | - | - | 1,402 | - | - | - | - | 39,126 | - |
| Adjust to actual for 2009 | 0 | 1,736 | (174) | (174) | (174) | (174) | (174) | (174) | (174) | (174) | (174) | (174) |
| Increase (decrease) finished lots | 693 | 2,090 | (165) | 108 | 22 | 624 | 103 | (550) | (55) | 2,607 | (2,607) | (435) |
| Biennial reassessment (1% per annum) | 11,715 | - | - | - | - | - | 28 | - | 29 | - | 29 | - |
| Ending market values | 63,103 | 3,826 | 3,487 | 3,421 | 3,269 | 5,121 | 5,078 | 4,354 | 4,154 | 6,588 | 42,962 | 42,354 |
| Commercial assessment ratio | | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% |
| Assessed value - commercial (000's) | | 1,109 | 1,011 | 992 | 948 | 1,485 | 1,473 | 1,263 | 1,205 | 1,910 | 12,459 | 12,283 |
| Oil and Gas Assessed value (000's) | | | | | | | | | | | | |
| Total assessed valuation (000's) | | 1,197 | 1,232 | 1,300 | 1,658 | 2,861 | 4,576 | 6,623 | 12,198 | 14,742 | 27,403 | 29,101 |
| Outstanding debt | 20,000,000 | 20,000,000 | 20,000,000 | 19,000,000 | 17,900,000 | 17,150,000 | 16,350,000 | 15,950,000 | 15,660,000 | 15,350,000 | 15,020,000 | |
| Outstanding debt to AV ratio | | 1623.50% | 1538.10% | 1145.74% | 825.60% | 374.78% | 246.85% | 130.76% | 106.23% | 56.02% | 51.61% | |

See Summary of Significant Assumptions and Accounting Policies

4 Way Ranch Metropolitan District No. 1
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2009 through 2041

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Debt Service Fund | | | | | | | | | | | | |
| Beginning cash available | \$ 3,276,324 | \$ 3,081,543 | \$ 2,892,840 | \$ 2,590,825 | \$ 2,416,361 | \$ 2,372,632 | \$ 2,329,644 | \$ 2,310,590 | \$ 2,291,609 | \$ 2,301,814 | \$ 2,311,870 | \$ 2,346,727 |
| Revenues | | | | | | | | | | | | |
| Property taxes | 1,078,341 | 1,087,313 | 1,109,059 | 1,116,093 | 1,241,471 | 1,241,471 | 1,266,159 | 1,266,159 | 1,291,342 | 1,291,342 | 1,317,028 | 1,317,028 |
| Specific ownership taxes | 88,424 | 89,160 | 90,943 | 84,823 | 94,352 | 94,352 | 96,228 | 96,228 | 98,142 | 98,142 | 100,094 | 100,094 |
| Tap Fees | | | | | | | | | | | | |
| Transfer from Capital Project Fund | | | | | | | | | | | | |
| Interest income | 63,129 | 59,334 | 55,812 | 49,782 | 47,620 | 46,761 | 46,151 | 45,774 | 45,691 | 45,892 | 46,340 | 47,036 |
| | 1,229,894 | 1,235,807 | 1,255,814 | 1,250,678 | 1,383,443 | 1,382,584 | 1,408,538 | 1,408,161 | 1,435,175 | 1,435,376 | 1,463,462 | 1,464,158 |
| Expenditures | | | | | | | | | | | | |
| Debt service - Series 2012 | 1,406,500 | 1,406,200 | 1,404,500 | 1,406,400 | 1,406,550 | 1,404,950 | 1,406,600 | 1,406,150 | 1,403,600 | 1,403,950 | 1,406,850 | 1,406,950 |
| Water lease payment | | | 134,693 | | | | | | | | | |
| Paying agent / trustee fees | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| County treasurer fees | 16,175 | 16,310 | 16,636 | 16,741 | 18,622 | 18,622 | 18,992 | 18,992 | 19,370 | 19,370 | 19,755 | 19,755 |
| | 1,424,675 | 1,424,510 | 1,557,829 | 1,425,141 | 1,427,172 | 1,425,572 | 1,427,592 | 1,427,142 | 1,424,970 | 1,425,320 | 1,428,605 | 1,428,705 |
| Ending cash available | \$ 3,081,543 | \$ 2,892,840 | \$ 2,590,825 | \$ 2,416,361 | \$ 2,372,632 | \$ 2,329,644 | \$ 2,310,590 | \$ 2,291,609 | \$ 2,301,814 | \$ 2,311,870 | \$ 2,346,727 | \$ 2,382,180 |
| Reserve Fund included above | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| Capitalized Interest included above | | | | | | | | | | | | |
| Surplus Fund included above | 1,081,543 | 892,840 | 590,825 | 416,361 | 372,632 | 329,644 | 310,590 | 291,609 | 301,814 | 311,870 | 346,727 | 382,180 |
| Mill Levy | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 |
| Total Mill Levy | 41.000 | 41.000 | 41.000 | 38.000 | 38.000 | 38.000 | 38.000 | 38.000 | 38.000 | 38.000 | 38.000 | 38.000 |

See Summary of Significant Assumptions and Accounting Policies

4 Way Ranch Metropolitan District No. 1
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2009 through 2041

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| General Fund | | | | | | | | | | | | |
| Beginning cash available | \$ 686,953 | \$ 1,292,574 | \$ 1,981,274 | \$ 2,867,040 | \$ 3,668,749 | \$ 4,541,593 | \$ 5,494,421 | \$ 6,506,228 | \$ 7,567,231 | \$ 8,737,575 | \$ 9,950,298 | \$ 11,231,741 |
| Revenues | | | | | | | | | | | | |
| Property taxes | 184,858 | 186,396 | 190,124 | 95,685 | 106,412 | 106,412 | 108,528 | 108,528 | 110,686 | 110,686 | 112,888 | 112,888 |
| Water / sewer service fees | 1,344,653 | 1,468,853 | 1,704,578 | 1,882,839 | 2,007,039 | 2,131,239 | 2,255,439 | 2,379,639 | 2,562,335 | 2,686,535 | 2,810,735 | 2,810,735 |
| Transfer from District #2 | 145,622 | 175,885 | 209,761 | 120,316 | 139,880 | 178,311 | 197,677 | 213,739 | 234,134 | 252,326 | 300,447 | 317,161 |
| Developer advances | | | | | | | | | | | | |
| | 1,675,133 | 1,831,134 | 2,104,464 | 2,098,820 | 2,253,331 | 2,415,962 | 2,561,644 | 2,701,906 | 2,907,155 | 3,049,547 | 3,224,070 | 3,240,784 |
| Expenditures | | | | | | | | | | | | |
| Water / sewer operations | 741,914 | 807,003 | 875,212 | 946,850 | 1,021,675 | 1,095,727 | 1,173,596 | 1,255,648 | 1,342,289 | 1,432,845 | 1,528,929 | 1,631,084 |
| Park and recreation maintenance | 262,656 | 269,223 | 275,953 | 282,852 | 289,823 | 297,171 | 304,601 | 312,216 | 320,021 | 328,022 | 336,222 | 344,628 |
| Administrative costs | 62,169 | 63,412 | 64,660 | 65,974 | 67,293 | 68,639 | 70,012 | 71,412 | 72,841 | 74,297 | 75,783 | 77,299 |
| County treasurer fees | 2,773 | 2,796 | 2,852 | 1,435 | 1,596 | 1,596 | 1,628 | 1,628 | 1,660 | 1,660 | 1,693 | 1,693 |
| Repay developer advances | | | | | | | | | | | | |
| | 1,069,512 | 1,142,434 | 1,218,698 | 1,287,111 | 1,380,488 | 1,463,134 | 1,549,837 | 1,640,804 | 1,736,811 | 1,836,824 | 1,942,828 | 2,054,704 |
| Ending cash available | \$ 1,292,574 | \$ 1,981,274 | \$ 2,867,040 | \$ 3,668,749 | \$ 4,541,593 | \$ 5,494,421 | \$ 6,506,228 | \$ 7,567,231 | \$ 8,737,575 | \$ 9,950,298 | \$ 11,231,741 | \$ 12,417,821 |
| Mill Levy | 6.000 | 6.000 | 6.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 |
| Capital Project Fund | | | | | | | | | | | | |
| Beginning cash available | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Revenues | | | | | | | | | | | | |
| Bond proceeds | | | | | | | | | | | | |
| Developer advance | | | | | | | | | | | | |
| Developer contribution | | 100,000 | | | | | | | | | | |
| | | 100,000 | | | | | | | | | | |
| Expenditures | | | | | | | | | | | | |
| Issuance costs | | | | | | | | | | | | |
| Transfer to Debt Service (Reserve) | | | | | | | | | | | | |
| Transfer to Debt Service (Cap Int) | | | | | | | | | | | | |
| Repay developer advances | | | | | | | | | | | | |
| Capital - Water | | | | | | | | | | | | |
| Capital - Sewer | | | | | | | | | | | | |
| Capital - Streets | | | | | | | | | | | | |
| | | 100,000 | | | | | | | | | | |
| | | 100,000 | | | | | | | | | | |
| Ending cash available | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

See Summary of Significant Assumptions and Accounting Policies

Exhibit I

**4 Way Ranch Metropolitan District No. 1
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2009 through 2041**

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|
| Calculation of Assessed Valuation | | | | | | | | | | | | |
| Market values - residential homes (000's) | | | | | | | | | | | | |
| Beginning | 211,293 | 234,549 | 239,354 | 244,141 | 244,141 | 249,024 | 249,024 | 254,004 | 254,004 | 259,084 | 259,084 | 264,266 |
| Increases (see Exhibit III) | 19,030 | 4,805 | - | - | - | - | - | - | - | - | - | - |
| Biennial reassessment (1% per annum) | 4,226 | - | 4,787 | - | 4,883 | - | 4,980 | - | 5,080 | - | 5,182 | - |
| Ending market values | 234,549 | 239,354 | 244,141 | 244,141 | 249,024 | 249,024 | 254,004 | 254,004 | 259,084 | 259,084 | 264,266 | 264,266 |
| Residential assessment ratio | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% |
| Assessed value - residential (000's) | 18,670 | 19,053 | 19,434 | 19,434 | 19,822 | 19,822 | 20,219 | 20,219 | 20,623 | 20,623 | 21,036 | 21,036 |
| Market values - lots & commercial | | | | | | | | | | | | |
| Beginning | 42,354 | 41,861 | 41,426 | 42,254 | 42,947 | 53,960 | 53,960 | 55,025 | 55,025 | 56,112 | 56,112 | 57,220 |
| Increases - commercial (see Exhibit III) | - | - | - | - | 10,167 | - | - | - | - | - | - | - |
| Adjust to actual for 2009 | - | - | - | 693 | - | - | - | - | - | - | - | - |
| Increase (decrease) finished lots | (1,305) | (435) | - | - | - | - | - | - | - | - | - | - |
| Biennial reassessment (1% per annum) | 812 | - | 829 | - | 845 | - | 1,065 | - | 1,087 | - | 1,108 | - |
| Ending market values | 41,861 | 41,426 | 42,254 | 42,947 | 53,960 | 53,960 | 55,025 | 55,025 | 56,112 | 56,112 | 57,220 | 57,220 |
| Commercial assessment ratio | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% |
| Assessed value - commercial (000's) | 12,140 | 12,013 | 12,254 | 12,455 | 15,648 | 15,648 | 15,957 | 15,957 | 16,272 | 16,272 | 16,594 | 16,594 |
| Oil and Gas Assessed value (000's) | | | | | | | | | | | | |
| Total assessed valuation (000's) | 30,810 | 31,066 | 31,687 | 31,888 | 35,471 | 35,471 | 36,176 | 36,176 | 36,895 | 36,895 | 37,629 | 37,629 |
| Outstanding debt | 14,665,000 | 14,285,000 | 13,880,000 | 13,445,000 | 12,980,000 | 12,485,000 | 11,955,000 | 11,385,000 | 10,775,000 | 10,125,000 | 9,430,000 | 8,685,000 |
| Outstanding debt to AV ratio | 47.60% | 45.98% | 43.80% | 42.16% | 38.59% | 35.20% | 33.05% | 31.47% | 29.20% | 27.44% | 25.06% | 23.08% |

See Summary of Significant Assumptions and Accounting Policies

4 Way Ranch Metropolitan District No. 1
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2009 through 2041

| | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| General Fund | | | | | | | | | | |
| Beginning cash available | \$ 12,417,821 | \$ 13,528,739 | \$ 14,518,602 | \$ 15,387,202 | \$ 16,119,325 | \$ 16,713,421 | \$ 17,148,657 | \$ 17,421,550 | \$ 17,531,504 | \$ 17,478,679 |
| Revenues | | | | | | | | | | |
| Property taxes | 115,134 | 115,134 | 117,424 | 117,424 | 119,761 | 119,761 | 122,144 | 122,144 | 124,575 | 124,575 |
| Water / sewer service fees | 2,810,735 | 2,810,735 | 2,810,735 | 2,810,735 | 2,810,735 | 2,810,735 | 2,810,735 | 2,810,735 | 2,810,735 | 2,810,735 |
| Transfer from District #2 | 335,140 | 335,140 | 341,843 | 341,843 | 348,680 | 348,680 | 355,654 | 355,654 | 362,767 | 362,767 |
| Developer advances | | | | | | | | | | |
| | 3,261,009 | 3,261,009 | 3,270,002 | 3,270,002 | 3,279,176 | 3,279,176 | 3,288,533 | 3,288,533 | 3,298,077 | 3,298,077 |
| Expenditures | | | | | | | | | | |
| Water / sewer operations | 1,716,276 | 1,826,922 | 1,946,485 | 2,072,043 | 2,208,025 | 2,355,430 | 2,515,362 | 2,666,284 | 2,826,261 | 2,995,836 |
| Park and recreation maintenance | 353,243 | 362,075 | 371,126 | 380,405 | 389,915 | 399,663 | 409,654 | 419,895 | 430,393 | 441,153 |
| Administrative costs | 78,845 | 80,422 | 82,030 | 83,671 | 85,344 | 87,051 | 88,792 | 90,568 | 92,379 | 94,227 |
| County treasurer fees | 1,727 | 1,727 | 1,761 | 1,761 | 1,786 | 1,786 | 1,832 | 1,832 | 1,869 | 1,869 |
| Repay developer advances | | | | | | | | | | |
| | 2,150,091 | 2,271,145 | 2,401,403 | 2,537,879 | 2,685,080 | 2,843,940 | 3,015,640 | 3,178,579 | 3,350,902 | 3,533,085 |
| Ending cash available | \$ 13,528,739 | \$ 14,518,602 | \$ 15,387,202 | \$ 16,119,325 | \$ 16,713,421 | \$ 17,148,657 | \$ 17,421,550 | \$ 17,531,504 | \$ 17,478,679 | \$ 17,243,671 |
| Mill Levy | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 |
| Capital Project Fund | | | | | | | | | | |
| Beginning cash available | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Revenues | | | | | | | | | | |
| Bond proceeds | | | | | | | | | | |
| Developer advance | | | | | | | | | | |
| Developer contribution | | | | | | | | | | |
| Expenditures | | | | | | | | | | |
| Issuance costs | | | | | | | | | | |
| Transfer to Debt Service (Reserve) | | | | | | | | | | |
| Transfer to Debt Service (Cap Int) | | | | | | | | | | |
| Repay developer advances | | | | | | | | | | |
| Capital - Water | | | | | | | | | | |
| Capital - Sewer | | | | | | | | | | |
| Capital - Streets | | | | | | | | | | |
| Ending cash available | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

See Summary of Significant Assumptions and Accounting Policies

4 Way Ranch Metropolitan District No. 1
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2009 through 2041

| | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------|
| Debt Service Fund | | | | | | | | | | |
| Beginning cash available | \$ 2,382,180 | \$ 2,449,150 | \$ 2,517,963 | \$ 2,615,431 | \$ 2,711,970 | \$ 2,840,664 | \$ 2,971,780 | \$ 3,134,358 | \$ 3,303,824 | \$ 371,351 |
| Revenues | | | | | | | | | | |
| Property taxes | 1,343,228 | 1,343,228 | 1,369,952 | 1,369,952 | 1,397,210 | 1,397,210 | 1,425,014 | 1,425,014 | 1,453,373 | |
| Specific ownership taxes | 102,085 | 102,085 | 104,116 | 104,116 | 106,188 | 106,188 | 108,301 | 108,301 | 110,456 | |
| Tap Fees | | | | | | | | | | |
| Transfer from Capital Project Fund | | | | | | | | | | |
| Interest income | 48,054 | 49,399 | 51,049 | 52,970 | 55,204 | 57,776 | 60,688 | 63,976 | 36,624 | |
| | <u>1,493,367</u> | <u>1,494,712</u> | <u>1,525,117</u> | <u>1,527,038</u> | <u>1,558,602</u> | <u>1,561,174</u> | <u>1,594,003</u> | <u>1,597,291</u> | <u>1,600,453</u> | |
| Expenditures | | | | | | | | | | |
| Debt service - Series 2012 | 1,404,250 | 1,403,750 | 1,405,100 | 1,407,950 | 1,406,950 | 1,407,100 | 1,408,050 | 1,404,450 | 4,509,125 | |
| Water lease payment | | | | | | | | | | |
| Paying agent / trustee fees | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | |
| County treasurer fees | 20,148 | 20,148 | 20,549 | 20,549 | 20,958 | 20,958 | 21,375 | 21,375 | 21,801 | |
| | <u>1,426,398</u> | <u>1,425,898</u> | <u>1,427,649</u> | <u>1,430,499</u> | <u>1,429,908</u> | <u>1,430,058</u> | <u>1,431,425</u> | <u>1,427,825</u> | <u>4,532,926</u> | |
| Ending cash available | \$ 2,449,150 | \$ 2,517,963 | \$ 2,615,431 | \$ 2,711,970 | \$ 2,840,664 | \$ 2,971,780 | \$ 3,134,358 | \$ 3,303,824 | \$ 371,351 | \$ 371,351 |
| Reserve Fund included above | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | | |
| Capitalized Interest included above | | | | | | | | | | |
| Surplus Fund included above | 449,150 | 517,963 | 615,431 | 711,970 | 840,664 | 971,780 | 1,134,358 | 1,303,824 | 371,351 | 371,351 |
| Mill Levy | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | |
| Total Mill Levy | 38.000 | 38.000 | 38.000 | 38.000 | 38.000 | 38.000 | 38.000 | 38.000 | 38.000 | 3.000 |

See Summary of Significant Assumptions and Accounting Policies

4 Way Ranch Metropolitan District No. 1
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2009 through 2041

| | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 |
|--|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | Calculation of Assessed Valuation | | | | | | | | | |
| Market values - residential homes (000's) | | | | | | | | | | |
| Beginning | 264,266 | 269,551 | 269,551 | 274,943 | 274,943 | 280,441 | 280,441 | 286,050 | 286,050 | 291,771 |
| Increases (see Exhibit III) | | | | | | | | | | |
| Biennial reassessment (1% per annum) | 5,285 | - | 5,381 | - | 5,489 | - | 5,609 | - | 5,721 | - |
| Ending market values | 269,551 | 269,551 | 274,943 | 274,943 | 280,441 | 280,441 | 286,050 | 286,050 | 291,771 | 291,771 |
| Residential assessment ratio | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% |
| Assessed value - residential (000's) | 21,456 | 21,456 | 21,885 | 21,885 | 22,323 | 22,323 | 22,770 | 22,770 | 23,225 | 23,225 |
| Market values - lots & commercial | | | | | | | | | | |
| Beginning | 57,220 | 58,351 | 58,351 | 59,504 | 59,504 | 60,680 | 60,680 | 61,880 | 61,880 | 63,103 |
| Increases - commercial (see Exhibit III) | | | | | | | | | | |
| Adjust to actual for 2009 | | | | | | | | | | |
| Increase (decrease) finished lots | | | | | | | | | | |
| Biennial reassessment (1% per annum) | 1,131 | - | 1,153 | - | 1,176 | - | 1,200 | - | 1,224 | - |
| Ending market values | 58,351 | 58,351 | 59,504 | 59,504 | 60,680 | 60,680 | 61,880 | 61,880 | 63,103 | 63,103 |
| Commercial assessment ratio | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% |
| Assessed value - commercial (000's) | 16,922 | 16,922 | 17,256 | 17,256 | 17,597 | 17,597 | 17,945 | 17,945 | 18,300 | 18,300 |
| Oil and Gas Assessed value (000's) | - | - | - | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Total assessed valuation (000's) | 38,378 | 38,378 | 39,141 | 39,141 | 39,920 | 39,920 | 40,715 | 40,715 | 41,525 | 41,525 |
| Outstanding debt | 7,885,000 | - | - | - | - | - | - | - | - | - |
| Outstanding debt to AV ratio | 20.55% | 0.00% | | | | | | | | |

See Summary of Significant Assumptions and Accounting Policies

| |
|--|
| 4 Way Ranch Metropolitan District No. 1 Forecasted Schedule of General Obligation Debt - Series 2012 For the Years Ended December 31, 2012 through 2039 |
|--|

| Year | Principal | Coupon | Interest | Annual Total | Outstanding Balance |
|------|-------------------|--------|-------------------|-------------------|------------------------|
| | | | | | 20,000,000 |
| 2012 | | | 700,000 | 700,000 | 20,000,000 |
| 2013 | | | 700,000 | | 20,000,000 |
| 2013 | | | 700,000 | 1,400,000 | 20,000,000 |
| 2014 | | | 700,000 | | 20,000,000 |
| 2014 | | | 700,000 | 1,400,000 | 20,000,000 |
| 2015 | | | 700,000 | | 20,000,000 |
| 2015 | 1,000,000 | 7.000% | 700,000 | 2,400,000 | 19,000,000 |
| 2016 | - | | 665,000 | | 19,000,000 |
| 2016 | 1,100,000 | 7.000% | 665,000 | 2,430,000 | 17,900,000 |
| 2017 | - | | 626,500 | | 17,900,000 |
| 2017 | 750,000 | 7.000% | 626,500 | 2,003,000 | 17,150,000 |
| 2018 | - | | 600,250 | | 17,150,000 |
| 2018 | 800,000 | 7.000% | 600,250 | 2,000,500 | 16,350,000 |
| 2019 | - | | 572,250 | | 16,350,000 |
| 2019 | 400,000 | 7.000% | 572,250 | 1,544,500 | 15,950,000 |
| 2020 | - | | 558,250 | | 15,950,000 |
| 2020 | 290,000 | 7.000% | 558,250 | 1,406,500 | 15,660,000 |
| 2021 | - | | 548,100 | | 15,660,000 |
| 2021 | 310,000 | 7.000% | 548,100 | 1,406,200 | 15,350,000 |
| 2022 | - | | 537,250 | | 15,350,000 |
| 2022 | 330,000 | 7.000% | 537,250 | 1,404,500 | 15,020,000 |
| 2023 | - | | 525,700 | | 15,020,000 |
| 2023 | 355,000 | 7.000% | 525,700 | 1,406,400 | 14,665,000 |
| 2024 | - | | 513,275 | | 14,665,000 |
| 2024 | 380,000 | 7.000% | 513,275 | 1,406,550 | 14,285,000 |
| 2025 | - | | 499,975 | | 14,285,000 |
| 2025 | 405,000 | 7.000% | 499,975 | 1,404,950 | 13,880,000 |
| 2026 | - | | 485,800 | | 13,880,000 |
| 2026 | 435,000 | 7.000% | 485,800 | 1,406,600 | 13,445,000 |
| 2027 | - | | 470,575 | | 13,445,000 |
| 2027 | 465,000 | 7.000% | 470,575 | 1,406,150 | 12,980,000 |
| 2028 | - | | 454,300 | | 12,980,000 |
| 2028 | 495,000 | 7.000% | 454,300 | 1,403,600 | 12,485,000 |
| 2029 | - | | 436,975 | | 12,485,000 |
| 2029 | 530,000 | 7.000% | 436,975 | 1,403,950 | 11,955,000 |
| 2030 | - | | 418,425 | | 11,955,000 |
| 2030 | 570,000 | 7.000% | 418,425 | 1,406,850 | 11,385,000 |
| 2031 | - | | 398,475 | | 11,385,000 |
| 2031 | 610,000 | 7.000% | 398,475 | 1,406,950 | 10,775,000 |
| 2032 | - | | 377,125 | | 10,775,000 |
| 2032 | 650,000 | 7.000% | 377,125 | 1,404,250 | 10,125,000 |
| 2033 | - | | 354,375 | | 10,125,000 |
| 2033 | 695,000 | 7.000% | 354,375 | 1,403,750 | 9,430,000 |
| 2034 | - | | 330,050 | | 9,430,000 |
| 2034 | 745,000 | 7.000% | 330,050 | 1,405,100 | 8,685,000 |
| 2035 | - | | 303,975 | | 8,685,000 |
| 2035 | 800,000 | 7.000% | 303,975 | 1,407,950 | 7,885,000 |
| 2036 | - | | 275,975 | | 7,885,000 |
| 2036 | 855,000 | 7.000% | 275,975 | 1,406,950 | 7,030,000 |
| 2037 | - | | 246,050 | | 7,030,000 |
| 2037 | 915,000 | 7.000% | 246,050 | 1,407,100 | 6,115,000 |
| 2038 | - | | 214,025 | | 6,115,000 |
| 2038 | 980,000 | 7.000% | 214,025 | 1,408,050 | 5,135,000 |
| 2039 | - | | 179,725 | | 5,135,000 |
| 2039 | 1,045,000 | 7.000% | 179,725 | 1,404,450 | 4,090,000 |
| 2040 | - | | 143,150 | | 4,090,000 |
| 2040 | 4,090,000 | 7.000% | 143,150 | 4,509,125 | - |
| | <u>20,000,000</u> | | <u>26,371,100</u> | <u>46,503,925</u> | |

4 Way Ranch Metropolitan District No. 1
Forecasted Schedules of Absorption
and Market Values
For the Years Ended December 31, 2009 through 2022

| Market Value | Schedule of Market Values | | | | | | | | | | | | | | | | Total |
|---|---------------------------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|-------------|------------|-------------|-----------|---------|-----------|------------|
| | Prior | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | |
| Residential - Units | | | | | | | | | | | | | | | | | |
| Filing 1 | 550,000 | 1,100,000 | 1,650,000 | 1,100,000 | 2,777,500 | 3,927,385 | 5,668,856 | 5,723,322 | 578,056 | - | - | - | - | - | - | - | - |
| Filing 2 | 435,000 | - | - | - | 2,186,750 | 4,437,435 | 8,963,819 | 11,316,569 | 11,426,734 | 11,544,032 | 11,659,472 | 11,776,067 | 7,136,206 | - | - | - | - |
| Filing 3 | 435,000 | - | - | - | - | - | 6,722,714 | 11,316,569 | 11,426,734 | 11,544,032 | 11,659,472 | 11,776,067 | 11,893,827 | 4,805,106 | - | - | - |
| Multi-Family | 250,000 | - | - | - | - | - | - | - | 45,981,869 | - | - | - | - | - | - | - | - |
| | | 1,100,000 | 1,650,000 | 1,100,000 | 4,974,250 | 8,384,820 | 21,352,888 | 28,356,459 | 69,419,214 | 23,088,063 | 23,318,944 | 23,552,133 | 19,030,124 | 4,805,106 | - | - | - |
| Commercial - Square feet | | | | | | | | | | | | | | | | | |
| Parcel 1 Retail | 174 | - | - | - | 1,402,127 | - | - | - | - | - | - | - | - | - | - | - | - |
| Parcel 1 Office Warehouse | 114 | - | - | - | - | - | - | - | - | 4,288,541 | - | - | - | - | - | - | - |
| Parcel 2 Retail | 210 | - | - | - | - | - | - | - | - | 3,832,884 | - | - | - | - | - | - | - |
| Parcel 3 Office Warehouse | 106 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,162,377 |
| Parcel 4 Big Box | 131 | - | - | - | - | - | - | - | - | 11,926,204 | - | - | - | - | - | - | - |
| Parcel 4 Retail | 124 | - | - | - | - | - | - | - | - | 9,334,444 | - | - | - | - | - | - | - |
| Parcel 5 Medical Office | 170 | - | - | - | - | - | - | - | - | 9,743,566 | - | - | - | - | - | - | - |
| Parcel 6 Retail | 137 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 8,004,779 |
| Total Commercial | | | | | 1,402,127 | | | | | 38,125,639 | | | | | | | 10,167,156 |
| Undeveloped Land & Finished Lots | | | | | | | | | | | | | | | | | |
| Filing 1 | 55,000 | 2,080,000 | (165,000) | (110,000) | (275,000) | (385,000) | (550,000) | (550,000) | (55,000) | - | - | - | - | - | - | - | - |
| Filing 2 | 43,500 | - | - | 217,500 | 217,500 | 435,000 | 217,500 | - | - | - | (435,000) | (852,500) | - | - | - | - | - |
| Filing 3 | 43,500 | - | - | - | - | 652,500 | 435,000 | - | - | - | - | (852,500) | (435,000) | - | - | - | - |
| Commercial (sq feet) | 10 | - | - | - | 78,000 | (78,000) | - | - | - | 2,607,000 | (2,607,000) | - | - | - | 693,000 | (693,000) | - |
| | | 2,080,000 | (165,000) | 107,500 | 21,500 | 623,500 | 102,500 | (550,000) | (55,000) | 2,607,000 | (2,607,000) | (435,000) | (1,305,000) | (435,000) | - | 693,000 | (693,000) |

See Summary of Significant Assumptions and Accounting Policies

4-Way Ranch Metropolitan District No 2

4 Way Ranch Metropolitan District No. 2
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2011 through 2045

| | Total | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|------------------------------------|------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|-----------|
| General Fund | | | | | | | | | | | | |
| Beginning cash available | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Revenues | | | | | | | | | | | | |
| Property taxes | 8,090,958 | - | - | 5,800 | 20,228 | 40,599 | 72,137 | 106,304 | 148,521 | 115,323 | 147,840 | 178,563 |
| | 8,090,958 | - | - | 5,800 | 20,228 | 40,599 | 72,137 | 106,304 | 148,521 | 115,323 | 147,840 | 178,563 |
| Expenditures | | | | | | | | | | | | |
| County treasurer fees | 121,365 | - | - | 87 | 303 | 609 | 1,082 | 1,595 | 2,228 | 1,730 | 2,218 | 2,678 |
| Transfer to District #1 | 7,969,593 | - | - | 5,713 | 19,925 | 39,990 | 71,055 | 104,709 | 146,293 | 113,593 | 145,622 | 175,885 |
| | 8,090,958 | - | - | 5,800 | 20,228 | 40,599 | 72,137 | 106,304 | 148,521 | 115,323 | 147,840 | 178,563 |
| Ending cash available | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Mill Levy | | 10.000 | 10.000 | 10.000 | 10.000 | 10.000 | 10.000 | 10.000 | 10.000 | 6.000 | 6.000 | 6.000 |
| Capital Project Fund | | | | | | | | | | | | |
| Beginning cash available | \$ - | \$ - | \$ 18,740,750 | \$ 16,310,565 | \$ 14,749,776 | \$ 7,032,947 | \$ 20,616,661 | \$ 16,940,104 | \$ 8,737,111 | \$ 14,528,395 | \$ 8,872,442 | \$ 0 |
| Revenues | | | | | | | | | | | | |
| Bond proceeds | 54,000,000 | 20,000,000 | | | | 24,000,000 | | | 10,000,000 | | | |
| Interest income | 1,820,400 | 165,750 | 319,815 | 289,211 | 137,901 | 404,248 | 332,159 | 171,316 | | | | |
| Developer contribution | 37,855,423 | | | | | | | | | | 11,841 | 5,080,953 |
| | 93,675,823 | 20,165,750 | 319,815 | 289,211 | 137,901 | 24,404,248 | 332,159 | 171,316 | 10,000,000 | | 11,841 | 5,080,953 |
| Expenditures | | | | | | | | | | | | |
| Issuance costs | 2,160,000 | 800,000 | | | | 960,000 | | | 400,000 | | | |
| Transfer to Debt Service (Reserve) | 4,900,000 | 1,500,000 | | | | 2,400,000 | | | 1,000,000 | | | |
| Transfer to Debt Service (Cap Int) | 6,160,000 | 2,100,000 | | | | 3,360,000 | | | 700,000 | | | |
| Capital - Water | 40,196,277 | | | | 7,104,730 | | | 5,424,309 | | 3,055,953 | 6,275,567 | 3,055,953 |
| Capital - Sewer | 17,721,546 | | | | | 4,710,534 | 1,858,716 | | 1,858,716 | | 1,858,716 | |
| Capital - Streets | 29,598,000 | 1,325,000 | 750,000 | 1,850,000 | 750,000 | 2,750,000 | 2,150,000 | 2,950,000 | 1,650,000 | 2,600,000 | 750,000 | 2,025,000 |
| | 93,675,823 | 3,425,000 | 750,000 | 1,850,000 | 7,854,730 | 10,820,534 | 4,008,716 | 8,374,309 | 4,208,716 | 5,655,953 | 8,884,283 | 5,080,953 |
| Ending cash available | \$ 0 | \$ 16,740,750 | \$ 16,310,565 | \$ 14,749,776 | \$ 7,032,947 | \$ 20,616,661 | \$ 16,940,104 | \$ 8,737,111 | \$ 14,528,395 | \$ 8,872,442 | \$ 0 | \$ 0 |

See Summary of Significant Assumptions and Accounting Policies

**4 Way Ranch Metropolitan District No. 2
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2011 through 2045**

| | Total | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------------------------------------|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Debt Service Fund | | | | | | | | | | | | |
| Beginning cash available | \$ - | \$ - | \$ 2,902,250 | \$ 2,250,250 | \$ 1,620,072 | \$ 1,812,321 | \$ 6,997,429 | \$ 6,172,437 | \$ 5,460,784 | \$ 6,616,576 | \$ 5,902,555 | \$ 5,378,666 |
| Revenues | | | | | | | | | | | | |
| Property taxes | 87,361,259 | - | - | 20,300 | 70,796 | 142,097 | 252,479 | 372,063 | 510,822 | 672,717 | 862,397 | 1,041,616 |
| Specific ownership taxes | 6,681,658 | - | - | 1,827 | 6,372 | 12,789 | 22,723 | 33,486 | 46,784 | 55,163 | 70,717 | 85,413 |
| Tap Fees | 42,175,000 | - | 800,000 | 800,000 | 1,600,000 | 1,600,000 | 2,000,000 | 2,000,000 | 2,400,000 | 2,400,000 | 2,400,000 | 2,400,000 |
| Transfer from Capital Project Fund | 11,060,000 | 3,600,000 | - | - | - | 5,760,000 | - | - | 1,700,000 | - | - | - |
| Interest income | 3,200,055 | 4,250 | - | - | 18,143 | 14,354 | 110,593 | 95,378 | 78,984 | 100,189 | 87,933 | 79,367 |
| | <u>150,477,972</u> | <u>3,604,250</u> | <u>800,000</u> | <u>822,127</u> | <u>1,695,311</u> | <u>7,529,240</u> | <u>2,385,795</u> | <u>2,500,927</u> | <u>4,745,590</u> | <u>3,228,069</u> | <u>3,421,047</u> | <u>3,606,396</u> |
| Expenditures | | | | | | | | | | | | |
| Debt service - Series 2011 | 51,401,125 | 700,000 | 1,400,000 | 1,400,000 | 1,400,000 | 1,400,000 | 1,400,000 | 1,400,000 | 1,400,000 | 1,400,000 | 1,400,000 | 1,400,000 |
| Debt service - Series 2015 | 68,514,750 | - | - | - | - | 840,000 | 1,680,000 | 1,680,000 | 1,680,000 | 1,680,000 | 1,680,000 | 1,680,000 |
| Debt service - Series 2018 | 26,292,850 | - | - | - | - | - | - | - | 350,000 | 700,000 | 700,000 | 700,000 |
| Water lease payments | 2,635,938 | - | 50,000 | 50,000 | 100,000 | 100,000 | 125,000 | 125,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Paying agent / trustee fees | 70,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| County treasurer fees | 1,310,420 | - | - | 305 | 1,062 | 2,131 | 3,787 | 5,581 | 7,797 | 10,091 | 12,936 | 15,624 |
| | <u>150,225,083</u> | <u>702,000</u> | <u>1,452,000</u> | <u>1,452,305</u> | <u>1,503,062</u> | <u>2,344,131</u> | <u>3,210,787</u> | <u>3,212,581</u> | <u>3,569,797</u> | <u>3,942,091</u> | <u>3,944,836</u> | <u>3,947,624</u> |
| Ending cash available | \$ 252,889 | \$ 2,902,250 | \$ 2,250,250 | \$ 1,620,072 | \$ 1,812,321 | \$ 6,997,429 | \$ 6,172,437 | \$ 5,460,784 | \$ 6,616,576 | \$ 5,902,555 | \$ 5,378,666 | \$ 5,037,438 |
| Reserve Fund included above | | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 3,900,000 | 3,900,000 | 3,900,000 | 4,900,000 | 4,900,000 | 4,900,000 | 4,900,000 |
| Capitalized Interest included above | | 1,400,000 | - | - | - | 2,520,000 | 840,000 | - | 350,000 | - | - | - |
| Surplus Fund included above | | 2,250 | 750,250 | 120,072 | 312,321 | 577,429 | 1,432,437 | 1,560,784 | 1,366,576 | 1,002,555 | 478,666 | 137,438 |
| Mill Levy | | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 |
| Total Mill Levy | | <u>45,000</u> | <u>45,000</u> | <u>45,000</u> | <u>45,000</u> | <u>45,000</u> | <u>45,000</u> | <u>45,000</u> | <u>45,000</u> | <u>41,000</u> | <u>41,000</u> | <u>41,000</u> |

See Summary of Significant Assumptions and Accounting Policies

4 Way Ranch Metropolitan District No. 2
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2011 through 2045

| | Total | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|--|--------|--------|--------------|---------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|
| | Calculation of Assessed Valuation | | | | | | | | | | | |
| Market values - residential homes (000's) | | | | | | | | | | | | |
| Beginning | - | | | | - | 18,125 | 36,431 | 76,051 | 115,331 | 168,367 | 219,604 | 287,688 |
| Increases (see Exhibit III) | 1,086,102 | | | | 18,125 | 18,306 | 38,891 | 39,280 | 50,729 | 51,237 | 63,691 | 64,328 |
| Biennial reassessment (1% per annum) | 243,189 | | | | | | 729 | | 2,307 | | 4,382 | |
| Ending market values | 1,339,300 | | | | 18,125 | 36,431 | 76,051 | 115,331 | 168,367 | 219,604 | 287,688 | 352,016 |
| Residential assessment ratio | | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% |
| Assessed value - residential (000's) | | | | | 1,443 | 2,900 | 6,054 | 9,180 | 13,402 | 17,480 | 22,900 | 28,020 |
| Market values - lots & commercial | | | | | | | | | | | | |
| Beginning | | | | | 2,000 | 2,000 | 4,000 | 4,000 | 5,000 | 5,000 | 6,000 | 6,000 |
| Increases - commercial (see Exhibit III) | 81,647 | | | | | | | | | | | |
| Adjust to actual for 2009 | | | | | | | | | | | | |
| Increase (decrease) finished lots | | | | 2,000 | | 2,000 | | 1,000 | | 1,000 | | |
| Biennial reassessment (1% per annum) | 11,164 | | | | | | | | | | | |
| Ending market values | 72,811 | | | 2,000 | 2,000 | 4,000 | 4,000 | 5,000 | 5,000 | 6,000 | 6,000 | 6,000 |
| Commercial assessment ratio | | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% |
| Assessed value - commercial (000's) | | | | 580 | 580 | 1,160 | 1,160 | 1,450 | 1,450 | 1,740 | 1,740 | 1,740 |
| Total assessed valuation (000's) | | | | 580 | 2,023 | 4,060 | 7,214 | 10,630 | 14,852 | 19,220 | 24,640 | 29,760 |

See Summary of Significant Assumptions and Accounting Policies

**4 Way Ranch Metropolitan District No. 2
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2011 through 2045**

| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|-----------|---------|---------|
| General Fund | | | | | | | | | | | | |
| Beginning cash available | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Revenues | | | | | | | | | | | | |
| Property taxes | 212,955 | 122,148 | 142,010 | 181,026 | 200,687 | 216,894 | 237,699 | 256,169 | 305,022 | 321,991 | 340,244 | 340,244 |
| | 212,955 | 122,148 | 142,010 | 181,026 | 200,687 | 216,894 | 237,699 | 256,169 | 305,022 | 321,991 | 340,244 | 340,244 |
| Expenditures | | | | | | | | | | | | |
| County treasurer fees | 3,194 | 1,832 | 2,130 | 2,715 | 3,010 | 3,255 | 3,565 | 3,843 | 4,575 | 4,830 | 5,104 | 5,104 |
| Transfer to District #1 | 209,761 | 120,316 | 139,880 | 178,311 | 197,677 | 213,738 | 234,134 | 252,326 | 300,447 | 317,161 | 335,140 | 335,140 |
| | 212,955 | 122,148 | 142,010 | 181,026 | 200,687 | 216,894 | 237,699 | 256,169 | 305,022 | 321,991 | 340,244 | 340,244 |
| Ending cash available | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Mill Levy | 6.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 |
| Capital Project Fund | | | | | | | | | | | | |
| Beginning cash available | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Revenues | | | | | | | | | | | | |
| Bond proceeds | | | | | | | | | | | | |
| Interest income | | | | | | | | | | | | |
| Developer contribution | 2,558,716 | 6,864,669 | 5,364,669 | 1,850,000 | 5,194,669 | 1,650,000 | 3,055,953 | 4,405,953 | | 1,243,000 | | 350,000 |
| | 2,558,716 | 6,864,669 | 5,364,669 | 1,850,000 | 5,194,669 | 1,650,000 | 3,055,953 | 4,405,953 | | 1,243,000 | | 350,000 |
| Expenditures | | | | | | | | | | | | |
| Issuance costs | | | | | | | | | | | | |
| Transfer to Debt Service (Reserve) | | | | | | | | | | | | |
| Transfer to Debt Service (Cap Int) | | | | | | | | | | | | |
| Capital - Water | | 3,055,953 | 3,055,953 | | 3,055,953 | | 3,055,953 | 3,055,953 | | | | |
| Capital - Sewer | 1,858,716 | 1,858,716 | 1,858,716 | | 1,858,716 | | | | | | | |
| Capital - Streets | 700,000 | 1,950,000 | 450,000 | 1,850,000 | 280,000 | 1,650,000 | | 1,350,000 | | 1,243,000 | | 350,000 |
| | 2,558,716 | 6,864,669 | 5,364,669 | 1,850,000 | 5,194,669 | 1,650,000 | 3,055,953 | 4,405,953 | | 1,243,000 | | 350,000 |
| Ending cash available | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |

See Summary of Significant Assumptions and Accounting Policies

**4 Way Ranch Metropolitan District No. 2
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2011 through 2045**

| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Debt Service Fund | | | | | | | | | | | | |
| Beginning cash available | \$ 5,037,438 | \$ 4,905,592 | \$ 5,301,893 | \$ 4,974,829 | \$ 5,131,274 | \$ 5,537,061 | \$ 5,987,068 | \$ 7,758,180 | \$ 8,741,220 | \$ 10,354,134 | \$ 9,957,951 | \$ 9,258,218 |
| Revenues | | | | | | | | | | | | |
| Property taxes | 1,242,240 | 1,425,061 | 1,656,785 | 2,111,967 | 2,341,349 | 2,531,592 | 2,773,152 | 2,988,636 | 3,558,589 | 3,756,557 | 3,969,518 | 3,969,518 |
| Specific ownership taxes | 101,864 | 108,305 | 125,916 | 160,510 | 177,943 | 192,401 | 210,760 | 227,136 | 270,453 | 285,498 | 301,683 | 301,683 |
| Tap Fees | 2,400,000 | 3,444,643 | 2,400,000 | 2,400,000 | 2,400,000 | 2,400,000 | 3,530,357 | 2,400,000 | 2,400,000 | | | |
| Transfer from Capital Project Fund | | | | | | | | | | | | |
| Interest income | 74,683 | 66,959 | 77,987 | 76,298 | 81,865 | 90,338 | 101,138 | 139,598 | 185,301 | 201,110 | 190,259 | 176,305 |
| | <u>3,818,787</u> | <u>5,044,968</u> | <u>4,260,688</u> | <u>4,748,775</u> | <u>5,001,157</u> | <u>5,214,331</u> | <u>6,615,407</u> | <u>5,755,370</u> | <u>6,394,343</u> | <u>4,243,165</u> | <u>4,461,460</u> | <u>4,447,506</u> |
| Expenditures | | | | | | | | | | | | |
| Debt service - Series 2011 | 1,400,000 | 2,030,000 | 2,030,900 | 2,028,650 | 2,028,250 | 2,029,350 | 2,031,600 | 2,029,650 | 2,028,500 | 2,032,800 | 2,031,850 | 2,030,650 |
| Debt service - Series 2015 | 1,680,000 | 1,680,000 | 1,680,000 | 1,680,000 | 1,680,000 | 1,680,000 | 1,680,000 | 1,680,000 | 1,680,000 | 1,680,000 | 2,200,000 | 2,198,600 |
| Debt service - Series 2018 | 700,000 | 700,000 | 700,000 | 700,000 | 700,000 | 865,000 | 868,450 | 865,850 | 867,550 | 868,200 | 867,800 | 866,350 |
| Water lease payments | 150,000 | 215,290 | 150,000 | 150,000 | 150,000 | 150,000 | 220,847 | 150,000 | 150,000 | | | |
| Paying agent / trustee fees | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| County treasurer fees | 18,634 | 21,376 | 24,852 | 31,680 | 35,120 | 37,974 | 41,597 | 44,830 | 53,379 | 56,348 | 59,543 | 59,543 |
| | <u>3,950,634</u> | <u>4,648,666</u> | <u>4,587,752</u> | <u>4,592,330</u> | <u>4,595,370</u> | <u>4,764,324</u> | <u>4,844,294</u> | <u>4,772,330</u> | <u>4,781,429</u> | <u>4,639,348</u> | <u>5,161,193</u> | <u>5,157,143</u> |
| Ending cash available | \$ 4,905,592 | \$ 5,301,893 | \$ 4,974,829 | \$ 5,131,274 | \$ 5,537,061 | \$ 5,987,068 | \$ 7,758,180 | \$ 8,741,220 | \$ 10,354,134 | \$ 9,957,951 | \$ 9,258,218 | \$ 8,548,581 |
| Reserve Fund included above | 4,900,000 | 4,900,000 | 4,900,000 | 4,900,000 | 4,900,000 | 4,900,000 | 4,800,000 | 4,900,000 | 4,900,000 | 4,900,000 | 4,900,000 | 4,900,000 |
| Capitalized Interest included above | | | | | | | | | | | | |
| Surplus Fund included above | 5,592 | 401,893 | 74,829 | 231,274 | 637,061 | 1,087,068 | 2,858,180 | 3,841,220 | 5,454,134 | 5,057,951 | 4,358,218 | 3,648,581 |
| Mill Levy | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 |
| Total Mill Levy | <u>41,000</u> | <u>38,000</u> | <u>38,000</u> | <u>38,000</u> | <u>38,000</u> | <u>38,000</u> | <u>38,000</u> | <u>38,000</u> | <u>38,000</u> | <u>38,000</u> | <u>38,000</u> | <u>38,000</u> |

See Summary of Significant Assumptions and Accounting Policies

4 Way Ranch Metropolitan District No. 2
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2011 through 2045

| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|--|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|
| | Calculation of Assessed Valuation | | | | | | | | | | | |
| Market values - residential homes (000's) | | | | | | | | | | | | |
| Beginning | 352,016 | 424,027 | 489,648 | 565,719 | 632,659 | 712,922 | 781,207 | 865,800 | 935,458 | 1,024,522 | 1,095,580 | 1,189,260 |
| Increases (see Exhibit III) | 64,971 | 65,621 | 66,277 | 66,840 | 67,610 | 68,286 | 68,968 | 69,658 | 70,355 | 71,058 | 71,789 | |
| Biennial reassessment (1% per annum) | 7,040 | - | 9,793 | - | 12,653 | - | 15,624 | - | 18,709 | - | 21,912 | - |
| Ending market values | 424,027 | 489,648 | 565,719 | 632,659 | 712,922 | 781,207 | 865,800 | 935,458 | 1,024,522 | 1,095,580 | 1,189,260 | 1,189,260 |
| Residential assessment ratio | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% |
| Assessed value - residential (000's) | 33,753 | 38,976 | 45,031 | 50,360 | 56,749 | 62,184 | 68,918 | 74,462 | 81,552 | 87,208 | 94,665 | 94,665 |
| Market values - lots & commercial | | | | | | | | | | | | |
| Beginning | 6,000 | 6,000 | 6,000 | 7,950 | 34,422 | 34,990 | 34,990 | 35,570 | 37,680 | 69,386 | 69,386 | 64,654 |
| Increases - commercial (see Exhibit III) | - | - | - | 28,422 | - | - | - | - | 33,225 | - | - | - |
| Adjust to actual for 2009 | - | - | - | - | - | - | - | - | - | - | - | - |
| Increase (decrease) finished lots | - | - | 1,950 | (1,950) | - | - | - | 2,110 | (2,110) | - | (6,000) | - |
| Biennial reassessment (1% per annum) | - | - | - | - | 588 | - | 580 | - | 591 | - | 1,268 | - |
| Ending market values | 6,000 | 6,000 | 7,950 | 34,422 | 34,990 | 34,990 | 35,570 | 37,680 | 69,386 | 69,386 | 64,654 | 64,654 |
| Commercial assessment ratio | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% |
| Assessed value - commercial (000's) | 1,740 | 1,740 | 2,306 | 9,982 | 10,147 | 10,147 | 10,315 | 10,927 | 20,122 | 20,122 | 18,750 | 18,750 |
| Total assessed valuation (000's) | 35,493 | 40,716 | 47,337 | 60,342 | 66,896 | 72,331 | 79,233 | 85,390 | 101,674 | 107,330 | 113,415 | 113,415 |

See Summary of Significant Assumptions and Accounting Policies

**4 Way Ranch Metropolitan District No. 2
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2011 through 2045**

| | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 |
|------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| General Fund | | | | | | | | | | | | |
| Beginning cash available | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Revenues | | | | | | | | | | | | |
| Property taxes | 347,049 | 347,049 | 353,990 | 353,990 | 361,070 | 361,070 | 368,291 | 368,291 | 375,657 | 375,657 | 383,170 | 383,170 |
| | 347,049 | 347,049 | 353,990 | 353,990 | 361,070 | 361,070 | 368,291 | 368,291 | 375,657 | 375,657 | 383,170 | 383,170 |
| Expenditures | | | | | | | | | | | | |
| County treasurer fees | 5,206 | 5,206 | 5,310 | 5,310 | 5,416 | 5,416 | 5,524 | 5,524 | 5,635 | 5,635 | 5,748 | 5,748 |
| Transfer to District #1 | 341,843 | 341,843 | 348,680 | 348,680 | 355,654 | 355,654 | 362,767 | 362,767 | 370,022 | 370,022 | 377,422 | 377,422 |
| | 347,049 | 347,049 | 353,990 | 353,990 | 361,070 | 361,070 | 368,291 | 368,291 | 375,657 | 375,657 | 383,170 | 383,170 |
| Ending cash available | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Mill Levy | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 | 3.000 |
| Capital Project Fund | | | | | | | | | | | | |
| Beginning cash available | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Revenues | | | | | | | | | | | | |
| Bond proceeds | | | | | | | | | | | | |
| Interest income | | | | | | | | | | | | |
| Developer contribution | 225,000 | | | | | | | | | | | |
| | 225,000 | | | | | | | | | | | |
| Expenditures | | | | | | | | | | | | |
| Issuance costs | | | | | | | | | | | | |
| Transfer to Debt Service (Reserve) | | | | | | | | | | | | |
| Transfer to Debt Service (Cap Int) | | | | | | | | | | | | |
| Capital - Water | | | | | | | | | | | | |
| Capital - Sewer | | | | | | | | | | | | |
| Capital - Streets | 225,000 | | | | | | | | | | | |
| | 225,000 | | | | | | | | | | | |
| Ending cash available | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |

See Summary of Significant Assumptions and Accounting Policies

**4 Way Ranch Metropolitan District No. 2
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2011 through 2045**

| | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Debt Service Fund | | | | | | | | | | | | |
| Beginning cash available | \$ 8,548,581 | \$ 7,913,008 | \$ 7,262,653 | \$ 6,684,857 | \$ 6,100,909 | \$ 5,585,966 | \$ 4,268,102 | \$ 4,175,790 | \$ 4,083,854 | \$ 3,846,383 | \$ 3,703,547 | \$ 1,009,875 |
| Revenues | | | | | | | | | | | | |
| Property taxes | 4,048,908 | 4,048,908 | 4,129,887 | 4,129,887 | 4,212,484 | 4,212,484 | 4,296,734 | 4,286,734 | 4,382,669 | 4,382,669 | 4,470,322 | 4,470,322 |
| Specific ownership taxes | 307,717 | 307,717 | 313,871 | 313,871 | 320,149 | 320,149 | 326,552 | 326,552 | 333,083 | 333,083 | 339,744 | 339,744 |
| Tap Fees | | | | | | | | | | | | |
| Transfer from Capital Project Fund | | | | | | | | | | | | |
| Interest income | 162,986 | 150,254 | 138,094 | 126,592 | 115,712 | 97,565 | 83,603 | 81,779 | 78,517 | 74,752 | 46,668 | 12,503 |
| | <u>4,519,611</u> | <u>4,506,879</u> | <u>4,581,852</u> | <u>4,570,350</u> | <u>4,648,345</u> | <u>4,630,198</u> | <u>4,706,889</u> | <u>4,705,065</u> | <u>4,794,269</u> | <u>4,790,504</u> | <u>4,856,734</u> | <u>4,822,569</u> |
| Expenditures | | | | | | | | | | | | |
| Debt service - Series 2011 | 2,028,850 | 2,031,100 | 2,031,700 | 2,030,300 | 2,031,550 | 2,815,425 | | | | | | |
| Debt service - Series 2015 | 2,198,750 | 2,198,100 | 2,198,650 | 2,196,050 | 2,200,300 | 2,200,700 | 3,897,250 | 3,895,950 | 4,197,050 | 4,198,500 | 7,013,850 | |
| Debt service - Series 2018 | 863,850 | 865,300 | 865,350 | 864,000 | 866,250 | 866,750 | 835,500 | 834,600 | 766,950 | 667,100 | 467,500 | 5,510,500 |
| Water lease payments | | | | | | | | | | | | |
| Paying agent / trustee fees | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| County treasurer fees | 60,734 | 60,734 | 61,948 | 61,948 | 63,187 | 63,187 | 64,451 | 64,451 | 65,740 | 65,740 | 67,055 | 67,055 |
| | <u>5,155,184</u> | <u>5,157,234</u> | <u>5,159,648</u> | <u>5,154,298</u> | <u>5,163,287</u> | <u>5,948,062</u> | <u>4,799,201</u> | <u>4,797,001</u> | <u>5,031,740</u> | <u>4,933,340</u> | <u>7,550,405</u> | <u>5,579,555</u> |
| Ending cash available | \$ 7,913,008 | \$ 7,262,653 | \$ 6,684,857 | \$ 6,100,909 | \$ 5,585,966 | \$ 4,268,102 | \$ 4,175,790 | \$ 4,083,854 | \$ 3,846,383 | \$ 3,703,547 | \$ 1,009,875 | \$ 252,889 |
| Reserve Fund included above | 4,900,000 | 4,900,000 | 4,900,000 | 4,900,000 | 4,900,000 | 3,400,000 | 3,400,000 | 3,400,000 | 3,400,000 | 3,400,000 | 1,000,000 | - |
| Capitalized Interest included above | | | | | | | | | | | | |
| Surplus Fund included above | 3,013,008 | 2,362,653 | 1,784,857 | 1,200,909 | 685,966 | 868,102 | 775,790 | 683,854 | 446,383 | 303,547 | 9,875 | 252,889 |
| Mill Levy | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 | 35.000 |
| Total Mill Levy | <u>38.000</u> | <u>38.000</u> | <u>38.000</u> | <u>38.000</u> | <u>38.000</u> | <u>38.000</u> | <u>38.000</u> | <u>38.000</u> | <u>38.000</u> | <u>38.000</u> | <u>38.000</u> | <u>38.000</u> |

See Summary of Significant Assumptions and Accounting Policies

4 Way Ranch Metropolitan District No. 2
Forecasted Schedule of Assesment
and Market Values
For the Years Ended December 31, 2011 through 2028

Exhibit B3

Schedule of Market Values

| Market Value | Year | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total | |
|---|---------|-----------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|----------------------|
| Residential - Units | | | | | | | | | | | | | | | | | | | | | |
| Filing 1 | 350,000 | | 8,750,000 | 8,837,500 | 8,925,075 | 9,012,650 | 9,100,225 | 9,187,800 | 9,275,375 | 9,362,950 | 9,450,525 | 9,538,100 | 9,625,675 | 9,713,250 | 9,800,825 | 9,888,400 | 9,975,975 | 10,063,550 | 10,151,125 | 10,238,700 | 26,528,600 |
| Filing 2 | 375,000 | | 9,375,000 | 9,468,750 | 9,562,500 | 9,656,250 | 9,750,000 | 9,843,750 | 9,937,500 | 10,031,250 | 10,125,000 | 10,218,750 | 10,312,500 | 10,406,250 | 10,500,000 | 10,593,750 | 10,687,500 | 10,781,250 | 10,875,000 | 10,968,750 | 27,284,625 |
| Filing 3 | 400,000 | | 10,000,000 | 10,100,000 | 10,200,000 | 10,300,000 | 10,400,000 | 10,500,000 | 10,600,000 | 10,700,000 | 10,800,000 | 10,900,000 | 11,000,000 | 11,100,000 | 11,200,000 | 11,300,000 | 11,400,000 | 11,500,000 | 11,600,000 | 11,700,000 | 28,700,000 |
| Filing 4 | 400,000 | | 10,000,000 | 10,200,000 | 10,400,000 | 10,600,000 | 10,800,000 | 11,000,000 | 11,200,000 | 11,400,000 | 11,600,000 | 11,800,000 | 12,000,000 | 12,200,000 | 12,400,000 | 12,600,000 | 12,800,000 | 13,000,000 | 13,200,000 | 13,400,000 | 29,200,000 |
| Filing 5 | 400,000 | | 10,000,000 | 10,200,000 | 10,400,000 | 10,600,000 | 10,800,000 | 11,000,000 | 11,200,000 | 11,400,000 | 11,600,000 | 11,800,000 | 12,000,000 | 12,200,000 | 12,400,000 | 12,600,000 | 12,800,000 | 13,000,000 | 13,200,000 | 13,400,000 | 29,200,000 |
| Filing 6 | 400,000 | | 10,000,000 | 10,200,000 | 10,400,000 | 10,600,000 | 10,800,000 | 11,000,000 | 11,200,000 | 11,400,000 | 11,600,000 | 11,800,000 | 12,000,000 | 12,200,000 | 12,400,000 | 12,600,000 | 12,800,000 | 13,000,000 | 13,200,000 | 13,400,000 | 29,200,000 |
| Filing 7 | 400,000 | | 10,000,000 | 10,200,000 | 10,400,000 | 10,600,000 | 10,800,000 | 11,000,000 | 11,200,000 | 11,400,000 | 11,600,000 | 11,800,000 | 12,000,000 | 12,200,000 | 12,400,000 | 12,600,000 | 12,800,000 | 13,000,000 | 13,200,000 | 13,400,000 | 29,200,000 |
| Filing 8 | 400,000 | | 10,000,000 | 10,200,000 | 10,400,000 | 10,600,000 | 10,800,000 | 11,000,000 | 11,200,000 | 11,400,000 | 11,600,000 | 11,800,000 | 12,000,000 | 12,200,000 | 12,400,000 | 12,600,000 | 12,800,000 | 13,000,000 | 13,200,000 | 13,400,000 | 29,200,000 |
| Filing 9 | 400,000 | | 10,000,000 | 10,200,000 | 10,400,000 | 10,600,000 | 10,800,000 | 11,000,000 | 11,200,000 | 11,400,000 | 11,600,000 | 11,800,000 | 12,000,000 | 12,200,000 | 12,400,000 | 12,600,000 | 12,800,000 | 13,000,000 | 13,200,000 | 13,400,000 | 29,200,000 |
| Filing 10 | 400,000 | | 10,000,000 | 10,200,000 | 10,400,000 | 10,600,000 | 10,800,000 | 11,000,000 | 11,200,000 | 11,400,000 | 11,600,000 | 11,800,000 | 12,000,000 | 12,200,000 | 12,400,000 | 12,600,000 | 12,800,000 | 13,000,000 | 13,200,000 | 13,400,000 | 29,200,000 |
| Filing 11 | 400,000 | | 10,000,000 | 10,200,000 | 10,400,000 | 10,600,000 | 10,800,000 | 11,000,000 | 11,200,000 | 11,400,000 | 11,600,000 | 11,800,000 | 12,000,000 | 12,200,000 | 12,400,000 | 12,600,000 | 12,800,000 | 13,000,000 | 13,200,000 | 13,400,000 | 29,200,000 |
| Filing 12 | 400,000 | | 10,000,000 | 10,200,000 | 10,400,000 | 10,600,000 | 10,800,000 | 11,000,000 | 11,200,000 | 11,400,000 | 11,600,000 | 11,800,000 | 12,000,000 | 12,200,000 | 12,400,000 | 12,600,000 | 12,800,000 | 13,000,000 | 13,200,000 | 13,400,000 | 29,200,000 |
| Filing 13 | 400,000 | | 10,000,000 | 10,200,000 | 10,400,000 | 10,600,000 | 10,800,000 | 11,000,000 | 11,200,000 | 11,400,000 | 11,600,000 | 11,800,000 | 12,000,000 | 12,200,000 | 12,400,000 | 12,600,000 | 12,800,000 | 13,000,000 | 13,200,000 | 13,400,000 | 29,200,000 |
| Total Residential | | | 18,125,000 | 18,306,250 | 18,487,500 | 18,668,750 | 18,850,000 | 19,031,250 | 19,212,500 | 19,393,750 | 19,575,000 | 19,756,250 | 19,937,500 | 20,118,750 | 20,300,000 | 20,481,250 | 20,662,500 | 20,843,750 | 21,025,000 | 21,206,250 | 1,008,101,772 |
| Commercial - Square feet | | | | | | | | | | | | | | | | | | | | | |
| Parcel 1 Retail | 135 | | | | | | | | | | | | | 13,865,370 | | | | | | | 13,865,370 |
| Parcel 1 Office Warehouse | 108 | | | | | | | | | | | | | 5,913,042 | | | | | | | 5,913,042 |
| Parcel 1 Retail | 148 | | | | | | | | | | | | | 8,953,728 | | | | | | | 8,953,728 |
| Parcel 2 Big Box | 128 | | | | | | | | | | | | | | | | | | | 10,377,321 | 10,377,321 |
| Parcel 2 Retail | 127 | | | | | | | | | | | | | | | | | | | 2,110,000 | 2,110,000 |
| Parcel 2 Medical Office | 174 | | | | | | | | | | | | | | | | | | | 5,300,055 | 5,300,055 |
| Parcel 6 Retail | 128 | | | | | | | | | | | | | | | | | | | 8,284,288 | 8,284,288 |
| Total Commercial | | | | | | | | | | | | | | 78,471,851 | | | | | | 33,275,016 | 61,646,867 |
| Undeveloped Land & Finished Lots | | | | | | | | | | | | | | | | | | | | | |
| Filing 1 to 13 | 40,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 20,000,000 |
| Commercial sq feet | 10 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 20,000,000 |
| Total Undeveloped Land & Finished Lots | | | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 20,000,000 |

See Summary of Significant Assumptions and Accounting Policies

EXHIBIT C

Description of Districts' Facilities and Costs

**Overall Water Facilities Spreadsheet
4-Way Ranch Metropolitan District(s)**

| Improvement | Build when SFE= | Capital Cost 2009 Dollars | Distribution/ Transmission | Comments |
|----------------------------------|--------------------|------------------------------|-------------------------------|---|
| Phase One | | | | |
| Stage 1 Central Water (Existing) | 120 GPM | \$ 2,100,000 | \$ - | Existing includes distribution/transmission Note: in order to simplify analysis, we allocated an average cost of raw water line extension to each well site. As we worked through the raw water lines, it appears that it is a very reasonable estimate |
| Stage 2 Central Water Treatment | 300 GPM | \$1,928,948 | | |
| Well Site #2 | 200 | \$1,145,482 | \$ 1,222,874 | |
| Well Site #3 | 400 | \$1,145,482 | \$ 1,222,874 | |
| Well Site #4 | 600 | \$1,145,482 | \$ 1,222,874 | |
| | | \$7,465,394 | \$ 3,668,621 | |
| Phase Two | | | | |
| Stage 3 Central Water Treatment | 650 GPM | \$3,389,068 | | Superstructure for Stage 4 is constructed at this time. A separate site is an option for FP 3 Storage may be most dependent on commercial fire need-could go sooner depending on the exact nature of commercial development in Phase One Options for recharge/exchange start becoming considerations At well sites 7 and up, an additional well into Denver or Dawson would be drilled |
| Storage 1.75 MG | 700 | \$1,347,306 | | |
| Well Site #5 | 800 | \$1,145,482 | \$ 1,222,874 | |
| Well Site #6 | 1000 | \$1,145,482 | \$ 1,222,874 | |
| Well Site #7 | 1260 | \$1,466,217 | 1,589,736 | |
| Well Site #8 | 1520 | \$1,466,217 | 1,589,736 | |
| Stage 4 Central Water Treatment | 1000 GPM | \$3,219,614 | | Equipment Only with some external. Superstructure in place with Stage 3 |
| Well Site #9 | 1780 | \$1,466,217 | 1,589,736 | |
| Well Site #11 | 2040 | \$1,466,217 | 1,589,736 | |
| Well Site #12 | 2300 | \$1,466,217 | 1,589,736 | |
| Well Site #13 | 2560 | \$1,466,217 | 1,589,736 | |
| Well Site #14 | 2820 | \$1,466,217 | 1,589,736 | |
| Well Site #15 | 3080 | \$1,466,217 | 1,589,736 | |
| Well Site #16 | 3340 | \$1,466,217 | 1,589,736 | |
| | | \$23,442,906 | \$ 16,753,368 | |

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**Overall Wastewater Facilities Spreadsheet
4-Way Ranch Metropolitan District(s)**

| Improvement | Build when SFE= | Capital Cost 2009 Dollars | Collection/ Trunk Sewers | Comments |
|----------------------------|------------------|---------------------------|--------------------------|-----------------------|
| Phase One | | | | |
| Lift Station/Force Main #1 | 0 | \$ 1,333,007 | \$ - | |
| Collection/Trunk Mains | 0 | \$ | \$ 1,858,716 | |
| Pump Upgrades | 175 | \$ 322,465 | | |
| Collection/Trunk Mains | 350 | \$ | \$ 1,858,716 | |
| | Phase One | \$ 1,655,472 | \$ 3,717,431 | |
| Phase Two | | | | |
| Lift Station Force Main #2 | 700 | \$ 2,851,818 | | Lift Station Number 2 |
| Collection/Trunk Mains | 700 | | \$ 1,858,716 | |
| Collection/Trunk Mains | 1050 | | \$ 1,858,716 | |
| Collection/Trunk Mains | 1400 | | \$ 1,858,716 | |
| Collection/Trunk Mains | 1750 | | \$ 1,858,716 | |
| Collection/Trunk Mains | 2100 | | \$ 1,858,716 | |
| Collection/Trunk Mains | 2450 | | \$ 1,858,716 | |
| Collection/Trunk Mains | 2800 | | \$ 1,858,716 | |
| Collection/Trunk Mains | 3150 | | \$ 1,858,716 | |
| | Phase Two | \$ 2,851,818 | \$ 14,969,725 | |

Note: In order to simplify analysis, we allocated an average cost of collection and trunk mains per 350 SFE

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Cost Breakdown

Cost Estimate for Phase I Local Roads / Overall Site Improvements

Project: 4-Way Ranch

| Item | Unit | Quant. | Unit Cost | Item Total |
|-------------------------------------|------|---------|-----------|---------------------|
| Local Roads * | | | | |
| 1 Grading | C.Y. | 150,265 | \$ 2.50 | \$ 375,663 |
| 2 Erosion Control | L.S. | L.S. | L.S. | \$ 100,000 |
| 3 Storm Sewer | L.S. | L.S. | L.S. | \$ 650,000 |
| 4 Seeding / Matting | L.S. | L.S. | L.S. | \$ 75,000 |
| 5 Curb & Gutter | L.F. | 20,000 | \$ 9.00 | \$ 180,000 |
| 6 Sidewalk & Ped Ramps | L.S. | L.S. | L.S. | \$ 195,000 |
| 7 Paving | S.Y. | 60,000 | \$ 18.00 | \$ 1,080,000 |
| 8 Striping | L.S. | L.S. | L.S. | \$ 25,000 |
| 9 Lighting | L.S. | L.S. | L.S. | \$ 50,000 |
| 11 Landscaping & Irrigation | L.S. | L.S. | L.S. | \$ 175,000 |
| 12 Traffic & Street Signs | EA. | 60 | \$ 150 | \$ 9,000 |
| Construction Total | | | | \$ 2,914,663 |
| 15% Construction Contingency | | | | \$ 437,199 |
| Local Roads Total | | | | \$ 3,351,862 |

| Item | Unit | Quant. | Unit Cost | Item Total |
|--|------|--------|---------------|---------------------|
| Overall Site Improvements | | | | |
| 1 Grading - Creek & Drainage Areas | L.S. | 1 | \$ 200,000.00 | \$ 200,000 |
| 2 Creek & Drainage Area Improvements | L.S. | 1 | \$ 750,000.00 | \$ 750,000 |
| 3 Common Area Landscaping & Irrigation | L.S. | 1 | \$ 550,000.00 | \$ 550,000 |
| 4 Detention Ponds | L.S. | 1 | \$ 350,000.00 | \$ 350,000 |
| 5 Trails | L.S. | 1 | \$ 125,000.00 | \$ 125,000 |
| 6 Entry Features & Signage * | L.S. | 1 | \$ 150,000.00 | \$ 150,000 |
| Construction Total | | | | \$ 2,125,000 |
| 15% Construction Contingency | | | | \$ 318,750 |
| Overall Site Improvements | | | | \$ 2,443,750 |

* Refers to "Local" improvements for which financing is subject to prior approval of the County

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Cost Breakdown

Cost Estimate for Phase I Major Roads / Collector Roads

Project: 4-Way Ranch

| Item | Unit | Quant. | Unit Cost | Item Total |
|---|------|---------|------------|---------------------|
| Major Roads | | | | |
| Stapleton Rd. - Eastonville To Hwy. 24 | | | | |
| 1 Grading | C.Y. | 200,000 | \$ 2.50 | \$ 500,000 |
| 2 Erosion Control | L.S. | L.S. | L.S. | \$ 50,000 |
| 3 Storm Sewer | L.S. | L.S. | L.S. | \$ 850,000 |
| 4 Seeding / Matting | AC | 10 | \$ 1,000 | \$ 10,000 |
| 5 Curb & Gutter | L.F. | 12,000 | \$ 9.00 | \$ 108,000 |
| 6 Sidewalk & Ped Ramps | L.S. | L.S. | L.S. | \$ 125,000 |
| 7 Paving - 4 Lanes | S.Y. | 52,000 | \$ 21.00 | \$ 1,092,000 |
| 8 Striping | L.S. | L.S. | L.S. | \$ 85,000 |
| 9 Lighting | L.S. | L.S. | L.S. | \$ 150,000 |
| 10 Hwy. 24 Connection | L.S. | L.S. | L.S. | \$ 450,000 |
| 11 Traffic Signal - Hwy. 24 | EA. | 1 | \$ 300,000 | \$ 300,000 |
| 12 Traffic Signals - Eastonville & Dumont | EA. | 2 | \$ 150,000 | \$ 300,000 |
| 13 Landscape & Irrigation | L.S. | L.S. | L.S. | \$ 225,000 |
| 14 Traffic & Street Signs | EA. | 15 | \$ 150 | \$ 2,250 |
| Construction Total | | | | \$ 4,247,250 |
| 15% Construction Contingency | | | | \$ 637,088 |
| Major Roads Total | | | | \$ 4,884,338 |

| Item | Unit | Quant. | Unit Cost | Item Total |
|-------------------------------------|------|---------|-----------|---------------------|
| Collector Roads | | | | |
| 1 Grading | C.Y. | 250,000 | \$ 2.50 | \$ 625,000 |
| 2 Erosion Control | L.S. | L.S. | L.S. | \$ 125,000 |
| 3 Storm Sewer | L.S. | L.S. | L.S. | \$ 650,000 |
| 4 Seeding / Matting | L.S. | L.S. | L.S. | \$ 50,000 |
| 5 Curb & Gutter | L.F. | 32,000 | \$ 7.50 | \$ 240,000 |
| 6 Sidewalk & Ped Ramps | L.S. | L.S. | L.S. | \$ 375,000 |
| 7 Paving | S.Y. | 70,000 | \$ 18.00 | \$ 1,260,000 |
| 8 Striping | L.S. | L.S. | L.S. | \$ 75,000 |
| 9 Lighting | L.S. | L.S. | L.S. | \$ 50,000 |
| 10 Traffic Control Systems | L.S. | L.S. | L.S. | \$ 25,000 |
| 11 Landscaping & Irrigation | L.S. | L.S. | L.S. | \$ 300,000 |
| 12 Traffic & Street Signs | EA. | 80 | \$ 150 | \$ 12,000 |
| Construction Total | | | | \$ 3,787,000 |
| 15% Construction Contingency | | | | \$ 568,050 |
| Collector Roads Total | | | | \$ 4,355,050 |

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Cost Breakdown

Cost Estimate for Phase II Local Roads / Overall Site Improvements

Project: 4-Way Ranch

| Item | Unit | Quant. | Unit Cost | Item Total |
|------------------------------|------|---------|-----------|----------------------|
| Local Roads * | | | | |
| 1 Grading | C.Y. | 671,956 | \$ 2.50 | \$ 1,679,890 |
| 2 Erosion Control | L.S. | L.S. | L.S. | \$ 450,000 |
| 3 Storm Sewer | L.S. | L.S. | L.S. | \$ 2,500,000 |
| 4 Seeding / Matting | L.S. | L.S. | L.S. | \$ 350,000 |
| 5 Curb & Gutter | LF. | 125,000 | \$ 7.50 | \$ 937,500 |
| 6 Sidewalk & Ped Ramps | L.S. | L.S. | L.S. | \$ 1,150,000 |
| 7 Paving | S.Y. | 175,000 | \$ 18.00 | \$ 3,150,000 |
| 8 Striping | L.S. | L.S. | L.S. | \$ 50,000 |
| 9 Lighting | L.S. | L.S. | L.S. | \$ 100,000 |
| 11 Landscaping & Irrigation | L.S. | L.S. | L.S. | \$ 450,000 |
| 12 Traffic & Street Signs | EA. | 150 | \$ 150 | \$ 22,500 |
| Construction Total | | | | \$ 10,839,890 |
| 15% Construction Contingency | | | | \$ 1,625,984 |
| Local Roads Total | | | | \$ 12,465,874 |

| Item | Unit | Quant. | Unit Cost | Item Total |
|--|------|--------|---------------|---------------------|
| Overall Site Improvements | | | | |
| 1 Grading - Creek & Drainage Areas | L.S. | 1 | \$ 200,000.00 | \$ 350,000 |
| 2 Creek & Drainage Area Improvements | L.S. | 1 | \$ 750,000.00 | \$ 550,000 |
| 3 Common Area Landscaping & Irrigation | L.S. | 1 | \$ 550,000.00 | \$ 750,000 |
| 4 Detention Ponds | L.S. | 1 | \$ 350,000.00 | \$ 900,000 |
| 5 Trails | L.S. | 1 | \$ 125,000.00 | \$ 150,000 |
| 6 Entry Features & Signage * | L.S. | 1 | \$ 150,000.00 | \$ 350,000 |
| Construction Total | | | | \$ 3,050,000 |
| 15% Construction Contingency | | | | \$ 457,500 |
| Overall Site Improvements | | | | \$ 3,507,500 |

* Refers to "Local" improvements for which financing is subject to prior approval of the County

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Cost Breakdown

Cost Estimate for Phase II Major Roads / Collector Roads

Project: 4-Way Ranch

| Item | Unit | Quant. | Unit Cost | Item Total |
|---|--|--------|-----------------|---------------------|
| Major Roads | | | | |
| Rex Rd. - Eastonville To Hwy. 24 | | | | |
| 1 | Grading | C.Y. | 225,000 \$ 2.50 | \$ 562,500 |
| 2 | Erosion Control | L.S. | L.S. | \$ 50,000 |
| 3 | Storm Sewer | L.S. | L.S. | \$ 1,125,000 |
| 4 | Seeding / Matting | AC | 15 \$ 1,000 | \$ 15,000 |
| 5 | Curb & Gutter | L.F. | 15,000 \$ 9.00 | \$ 135,000 |
| 6 | Sidewalk & Ped Ramps | L.S. | L.S. | \$ 250,000 |
| 7 | Paving - 4 Lanes | S.Y. | 60,000 \$ 21.00 | \$ 1,260,000 |
| 8 | Striping | L.S. | L.S. | \$ 150,000 |
| 9 | Lighting | L.S. | L.S. | \$ 350,000 |
| 10 | Hwy. 24 Connection | L.S. | L.S. | \$ 450,000 |
| 11 | Traffic Signal - Hwy. 24 | EA. | 1 \$ 300,000 | \$ 300,000 |
| 12 | Traffic Signals - Eastonville & Dumont | EA. | 3 \$ 150,000 | \$ 450,000 |
| 13 | Landscape & Irrigation | L.S. | L.S. | \$ 275,000 |
| 14 | Traffic & Street Signs | EA. | 15 \$ 150 | \$ 2,250 |
| Construction Total | | | | \$ 5,374,750 |
| 15% Construction Contingency | | | | \$ 806,213 |
| Major Roads Total | | | | \$ 6,180,963 |

| Item | Unit | Quant. | Unit Cost | Item Total |
|-------------------------------------|--------------------------|--------|-----------------|---------------------|
| Collector Roads | | | | |
| 1 | Grading | C.Y. | 450,000 \$ 2.50 | \$ 1,125,000 |
| 2 | Erosion Control | L.S. | L.S. | \$ 250,000 |
| 3 | Storm Sewer | L.S. | L.S. | \$ 2,500,000 |
| 4 | Seeding / Matting | L.S. | L.S. | \$ 150,000 |
| 5 | Curb & Gutter | L.F. | 35,000 \$ 7.50 | \$ 262,500 |
| 6 | Sidewalk & Ped Ramps | L.S. | L.S. | \$ 450,000 |
| 7 | Paving | S.Y. | 68,000 \$ 18.00 | \$ 1,224,000 |
| 8 | Striping | L.S. | L.S. | \$ 150,000 |
| 9 | Lighting | L.S. | L.S. | \$ 100,000 |
| 10 | Traffic Control Systems | L.S. | L.S. | \$ 50,000 |
| 11 | Landscaping & Irrigation | L.S. | L.S. | \$ 200,000 |
| 12 | Traffic & Street Signs | EA. | 75 \$ 150 | \$ 11,250 |
| Construction Total | | | | \$ 6,472,750 |
| 15% Construction Contingency | | | | \$ 970,913 |
| Collector Roads Total | | | | \$ 7,443,663 |

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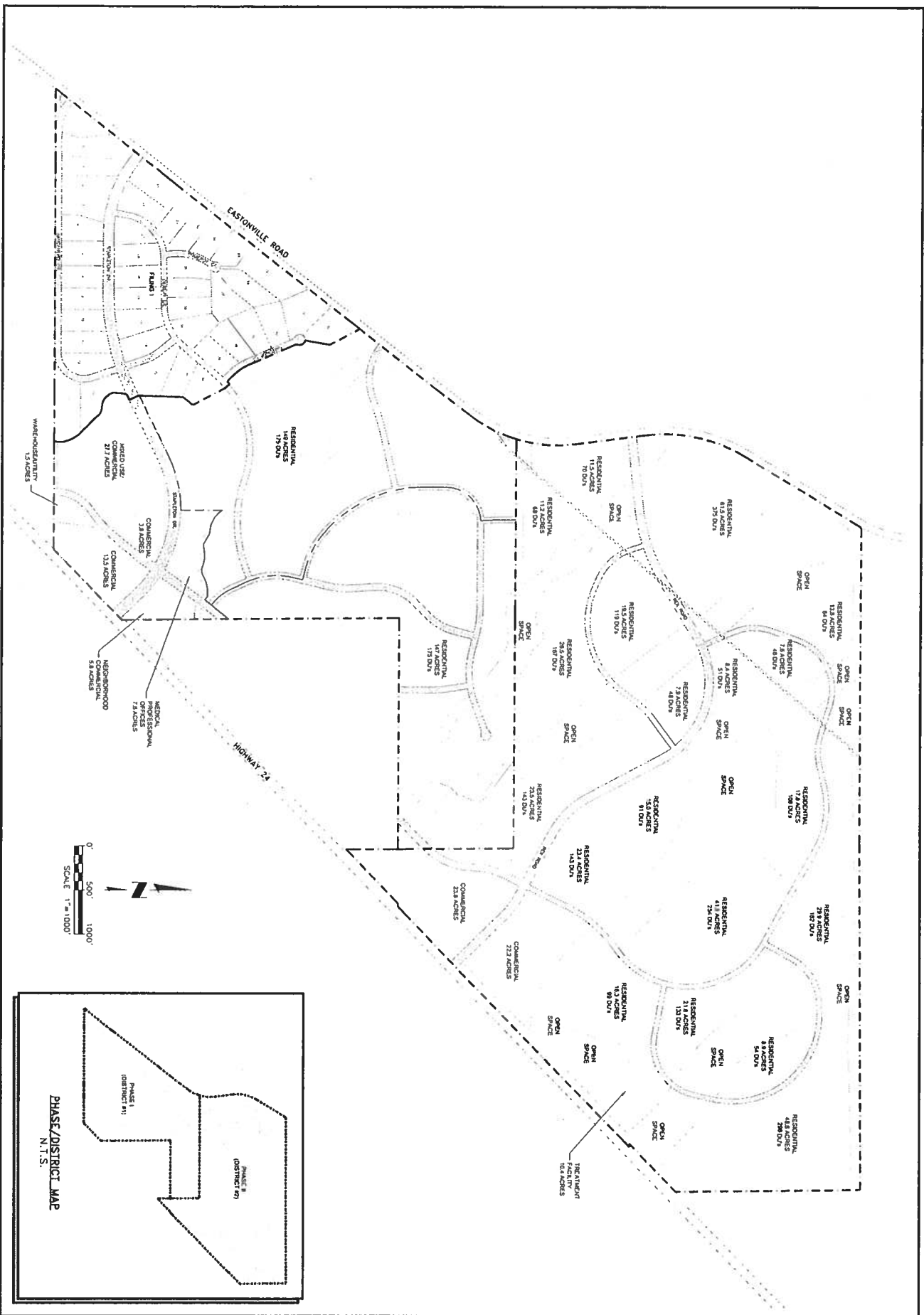
**Overall Cost Summary
Phases I and II
Project: 4-Way Ranch**

| Item | District 1 (Phase I) | District 2 (Phase II) |
|---------------------------|---------------------------------|----------------------------------|
| Water | | |
| Central | \$ 7,465,394 | \$ 23,442,906 |
| Distribution | \$ 3,668,621 | \$ 16,753,368 |
| Subtotal | \$ 11,134,015 | \$ 40,196,274 |
| Sewer | | |
| Central | \$ 1,655,472 | \$ 2,851,818 |
| Collection | \$ 3,717,431 | \$ 14,869,725 |
| Subtotal | \$ 5,372,903 | \$ 17,721,543 |
| Roads | | |
| Major | \$ 4,884,338 | \$ 6,180,963 |
| Collector | \$ 4,355,050 | \$ 7,443,663 |
| Local | \$ 3,351,862 | \$ 12,465,874 |
| Overall Site Improvements | \$ 2,443,750 | \$ 3,507,500 |
| Subtotal | \$ 15,035,000 | \$ 29,598,000 |
| Totals | \$ 31,541,918 | \$ 87,515,817 |
| Grant Total | \$119,057,735 | |

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EXHIBIT D

Phase I and Phase II Roadway Facilities



4-WAY RANCH
PHASES 1 & II
ROAD SYSTEM
EXHIBIT D

JDS-HYDRO CONSULTANTS, INC.
545 EAST PIKES PEAK AVENUE, SUITE 300
COLORADO SPRINGS, COLORADO 80903
(719) 227-0072

| | |
|-------------|----------|
| Project No. | 138.18 |
| Scale | 1"=1000' |
| Date | 10/07/08 |
| Designer | Paul |
| Checker | Paul |
| Client | JPS |
| Revised | |

EXHIBIT E

Updated Central Water and Wastewater System Facilities Plan



**UPDATED CENTRAL WATER & WASTEWATER
SYSTEM FACILITIES PLAN**

Prepared for:

**4-Way Ranch Metropolitan District
P.O. Box 50223
Colorado Springs, CO 80949**

August 2009

Prepared By:

JDS-Hydro Consultants, Inc.
545 East Pikes Peak Ave., Suite 300
Colorado Springs, CO 80903

and

Seter and VanderWall
7400 Orchard Road, Suite 3300
Greenwood Village, CO 80111

Executive Summary

We estimated the necessary improvements to build-out roughly 3300 to 3500 single family equivalents within 4-Way Ranch Metropolitan Districts 1 and 2. All water for full buildout is available through 4-Way Ranch.

Water:

An existing system is in place which should not require any improvements until roughly 200 single family equivalent services are online. At that time, additional well sites and a second water treatment plant (WTP #2) would be required. Well sites can be added as necessary (an additional well site is needed with roughly each 200 SFE). To build out Phase One, the second water plant and a total of 4 well sites should be implemented.

When the District reaches about 700 SFE, a larger treatment plant, plant expansion, or 3rd treatment plant site must be added. For estimation purposes we used the same utility site as Treatment Plant #2. This plant would take the system through roughly 1700 SFE, at which time the last water plant expansion would be made. We made the assumption that the second treatment plant will be constructed so that upgrading its capacity will only require the addition of equipment. The final plant expansion would service up to about 3500 SFE. Well sites are master-planned to include about 4 future sites north of District #2 but still within 4-Way Ranch holdings.

Although this outline relies solely on Denver Basin wells, we would expect that as some level of significant wastewater return flows become available, 4-Way may pursue recharge and exchange in the Upper Black Squirrel in order to reduce the reliance on Denver Basin groundwater.

Sewer:

Wastewater treatment is expected to be provided through Woodmen Hills Metropolitan District. Although this is the preferred alternative and Woodmen Hills has committed to provide service, 4-Way Ranch has identified a treatment site if the Woodmen Hills option is unavailable.

Phase One wastewater requires a lift station at the southeast corner of District #1. Because of the land geometry, we recommend that about 130 SFE in Phase Two are served by Phase One sewer and that roughly 20 units in Phase One flow through Phase Two sewer improvements. If this cannot be accommodated, a temporary lift station would be required.

Phase Two would be served by a lift station at a point near Highway 24 along the central east boundary of District #2. This second site would serve the balance of the development, although pumping facilities might be phased.

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- 1.2 Land Use
- 1.3 Growth Potential
 - Figure 1 – Overall Siteplan

SECTION 2 – PROJECTION OF WATER NEEDS & WASTEWATER LOADS

- 2.1 Analysis of Water Demands
 - Table 1 – Projected Water Demands
- 2.2 Projection of Wastewater Loads
 - Table 2 – Projected Wastewater Loads
- 2.3 Growth and Development

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- 3.2 Source of Supply
- 3.3 Water Quality and Treatment
- 3.4 Water Storage
 - Table 3 – Probable Fire Flow Requirements
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- 3.6 Pumping for Service Pressures

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- 4.1 Basins and Sewer Outfalls
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- 5.1 Cost of Facilities
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 - Projected Wastewater Loads
- Appendix B - Summary of Water Rights
- Appendix C - Master Plan of Central Water System Major Improvements
- Appendix D - Master Plan of Central Wastewater System Major Improvements
- Appendix E - Summaries and Breakdowns of Costs for Central Systems

INTRODUCTION

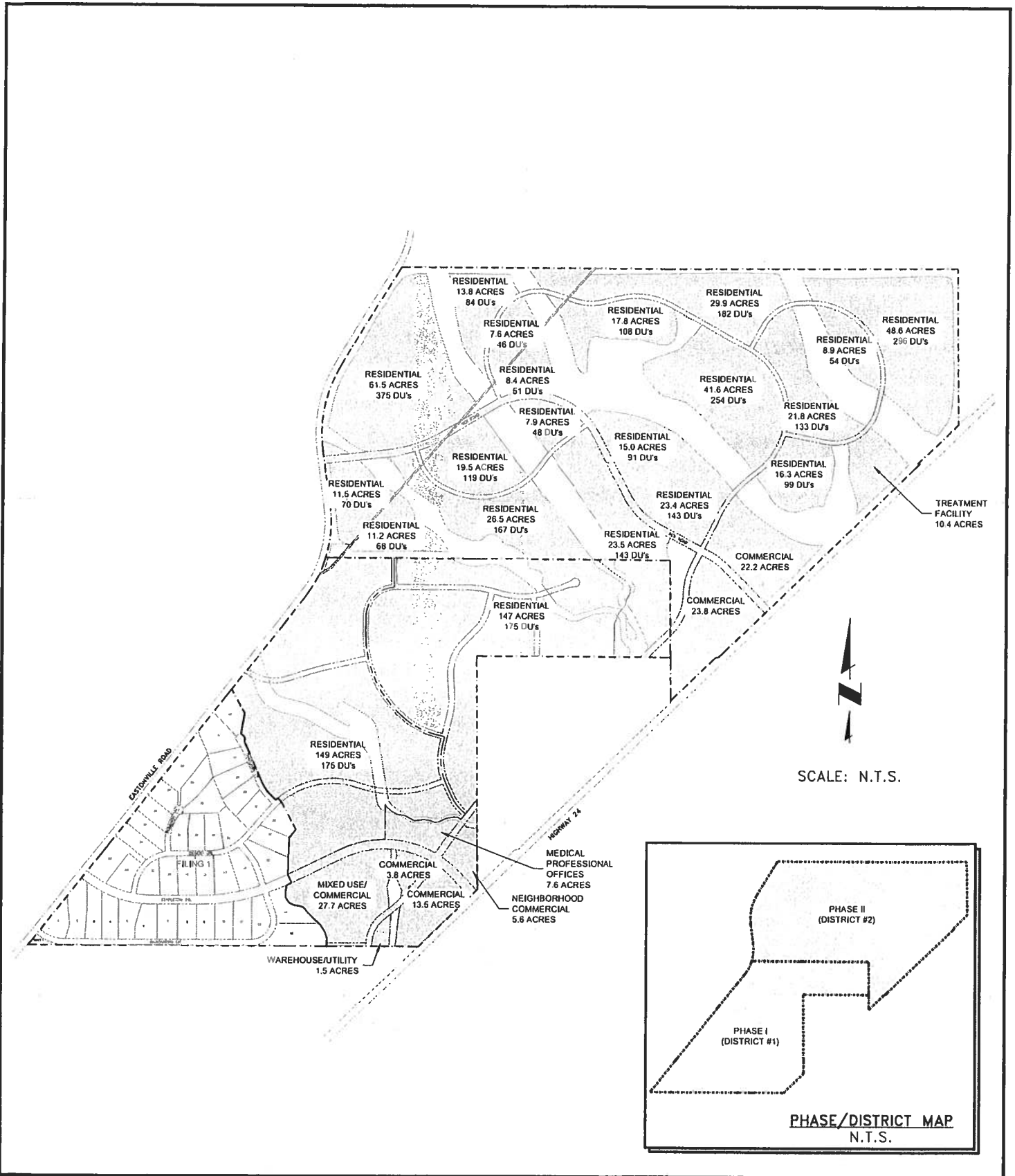
The purpose of this study is to provide a preliminary outline of central water and wastewater system facilities that would be necessary to serve the 4-Way Ranch Metropolitan Districts #'s 1 and 2. The initial result of this effort is to provide approximate costs and construction timing of water and wastewater system development, as well as potential costs for the purpose of financial planning.

SECTION 1 – STUDY AREA & LAND USE

- 1.1 *Study Area:* The comprehensive study area includes approximately 8100 acres known as the 4-Way Ranch. These lands are generally between Eastonville Road and Highway 24 north of Stapleton Drive, with a small portion being south of Stapleton. This study more specifically addresses the southern 1300 acres of the property that is being proposed for development. The areas are shown on the attached drawing entitled Figure 1.
- 1.2 *Land Use:* 4-Way Ranch has currently developed 42 large single family lots in the first filing of Phase One. While sewer service to these lots is primarily septic, two lots serving a church are on central sewer. The remaining filings in Phase One and all of Phase Two are proposed to have central sewer.

For the purpose of District planning, rough land uses have been estimated for the lands within District 1 and 2.

We would estimate that approximate build-out of the two Districts will include up to 3500 single family equivalents. Figure 1 on the following page is a very rough land use plan on which very initial planning has been based.



| |
|---------------------|
| Project No.: 136.16 |
| Scale: AS NOTED |
| Date: 10/07/09 |
| Design: RMM |
| Drawn: RMM |
| Check: JPM |

**4-WAY RANCH
PHASES I & II
OVERALL SITEPLAN EXHIBIT
FIGURE 1**

JDS-HYDRO CONSULTANTS, INC.
545 EAST PIKES PEAK AVENUE, SUITE 300
COLORADO SPRINGS, COLORADO 80903
(719) 227-0072

SECTION 2 – PROJECTION OF WATER NEEDS & WASTEWATER LOADS

2.1 *Analysis of Water Demands:* It is expected that the future single family residential lots will be developed with turf grass landscaping of 1500 to 3000 square feet per lot. *Appendix A* presents a more detailed breakdown of projected water use. Based on these estimates, a summary of potential water demands is as follows:

**TABLE 1
SUMMARY OF PROJECTED WATER DEMANDS**

| Land Use | Annual Water Demand (AF/Year) | Average Daily Flow (GPD) | Max Daily Flow (GPD) | Peak Hour Demand (GPM) |
|--|--------------------------------------|---------------------------------|-----------------------------|-------------------------------|
| District #1 (Phase One) (Approx 674 Equivalent Taps) | 208 | 186,000 | 456,000 | 475 |
| District #2 (Phase Two) (Approx 2607 Equivalent Taps) | 834 | 745,000 | 1,825,000 | 1900 |
| Totals (with 5% for Planning Cushion) | 1094 | 978,000 | 2,395,000 | 2494 |

2.2 *Projection of Wastewater Loads:* With the exception of two lots being a church, the existing 42 large acreage lots are served by septic systems. *Appendix A* presents a more detailed breakdown of projected wastewater loads. Following is a summary of wastewater loads:

**TABLE 2
SUMMARY OF PROJECTED WASTEWATER LOADS**

| Land Use | Average Daily Flow (GPD) | Max Daily Flow (GPD) |
|--|---------------------------------|-----------------------------|
| District #1 (Phase One) (Approx 674 Equivalent Taps) | 117,130 | 134,700 |
| District #2 (Phase Two) (Approx 2607 Equivalent Taps) | 480,200 | 552,200 |
| Totals (with 5% for Planning Cushion) | 627,200 | 721,200 |

- 2.3 Growth and Development: It should be noted that we have added a 5% cushion to our estimates as final land uses and exact locations are not currently known. We would like to plan for up to about 3500 single family equivalents for the study area in order to have some certainty that our estimates will be adequate. Obviously, if lower densities develop, we can adjust figures downward to meet those needs.

SECTION 3 – PROPOSED WATER SYSTEM FACILITIES

- 3.1 *Water Rights:* The 4-Way Ranch has a substantial holding of Denver Basin Groundwater rights. There are four water right determinations in 4-Way Ranch: 510-BD, 511-BD, 512-BD, and 513-BD. Currently this water may be used anywhere within the 8100 acre parcel. Both the Arapahoe and Laramie Fox Hills aquifers are determined to be fully non-tributary. The Denver and Dawson include a mix of non-tributary and not non-tributary water. A summary of the water rights within the 8100 acre Ranch are located in *Appendix B*.

The total determination allows for 8509 acre-feet of annual withdrawal on a 100-year basis and a 3708 annual acre-foot withdrawal on the El Paso County 300-year basis. Based on the needs summarized in Section 2, there are more than adequate water rights to serve all of the currently anticipated needs.

- 3.2 *Source of Supply:* Domestic water demand would be met using primarily Arapahoe (A) and Laramie-Fox Hills (LFH) wells. It is recommended that well sites be located with the intent of drilling two to four wells on each site based on final recommendations by the groundwater hydrogeologist, Curt Wells. At each site, a single well would be planned for each aquifer, although all wells may not necessarily be drilled at the same time. This report proposes sites for initial wells, but these sites should be confirmed by Mr. Wells.

Appendix C depicts a layout of expected facilities including potential well sites. Based on history of well yield on adjacent properties, it can be assumed that each LFH well would produce about 90 gpm and each Arapahoe would produce about 35 gpm.

Well site #1 has already been drilled and a treatment plant has been located at the site. The existing water facilities will be adequate through the first 200 single family equivalent taps. To complete Phase One of development, well sites 2, 3, and 4 will be added along with an additional treatment plant located at the existing water storage tank site. This site has been planned for these future facilities, and will be adequate for all of Phase One development.

The Denver and Dawson wells would probably not be developed, initially. However, the decision to provide for recreational/irrigation needs may suggest that the shallower but less productive Denver and Dawson wells be used. Again, this final determination should be made by Mr. Wells.

Upon commencement of development into District #2 (Phase Two), well sites will be added as needed, and treatment will be further built-out adjacent to the existing water tank site. We would plan for the second water treatment plant to easily accept a major expansion, but additional lands may need to be set aside for other treatment sites.

It is possible that up to 14 well sites will be needed to serve the entire build-out of 4-Way Ranch. While we have based this plan on that eventuality, we expect that future source options will include Denver Basin exchanges on return flows and alluvial wells.

- 3.3 *Water Quality and Treatment:* Historical use of the Denver basin water in this area suggests that high iron and manganese levels will require treatment. The most prevalent type of treatment system employed for this purpose is a pressure filter system which is fairly easily operated and easily automated. We expect to continue to develop treatment in the manner already used at 4-Way and adjacent areas.
- 3.4 *Water Storage:* A 430,000 gallon storage tank already exists in 4-Way Ranch, which will suffice for expected domestic needs throughout Phase One development, unless a large commercial user would necessitate higher fire-flow storage. We recommend water storage measures be based on two different criteria: (a) storage should equal at least required fire supply plus necessary equalizing storage, and (b) storage should exclude the bottom two feet of water in the tank. It is also recommended that the storage criteria above should not be less than the maximum daily need for domestic supply.

Probable fire requirements are as follows:

**TABLE 3
PROBABLE FIRE-FLOW REQUIREMENTS**

| Land Use | Flowrate (GPM) | Duration (Hrs) | Required Storage (Gallons) |
|--------------------------------|----------------|----------------|----------------------------|
| Rural Residential Development* | 1,000 | 2 | 120,000 |
| General Commercial** | 2,500 | 2 | 300,000 |
| "Big Box" Commercial | 4,500 | 4 | 1,080,000 |

* Minimum 2.5 Acre Lots

** Great variability based on actual use

The tank site is located on a knoll in the northwest corner of the Phase One. Depending on actual final build-out, we would anticipate approximately 2.0 MG of water storage to be required for build-out. This could occur as multiple tanks in series or a single unit adjacent to the existing tank which would bring total storage to between 2.0 and 2.5 MG. An option might exist to site the second tank north of the existing tank site in order to create a gravity feed option. If used, this site is still within 4-Way Ranch, but roughly two (2) miles north of the development area.

- 3.5 *Distribution and Transmission Lines:* For the purpose of fire protection, we recommend eight inch (8") water piping throughout the residential subdivision. The lines should be looped wherever street layout allows. A few larger loops are noted on the master plan which will be required as the area develops.

- 3.6 *Pumping for Service Pressures:* Ground elevations within the development service area range from 6860 to 7020. Adequate service pressures are generally considered 55 psi for residential service. The existing tank site is at an elevation of approximately 6990, which would not be capable of supplying acceptable service pressures to most of the service area. Consequently, an alternate tank site would be required at a minimum elevation of 7150. A site of 7150 elevation is available within the 4-Way Ranch holdings, but the site is nearly 2 miles north of the proposed development. For Phase One, we suggest utilizing the existing storage site as is.

SECTION 4 – PROPOSED WASTEWATER SYSTEM FACILITIES

- 4.1 *Basins and Sewer Outfalls:* A layout of the major wastewater facilities is located in *Appendix D*. A major basin line cuts through the site roughly diagonal to the phasing line. Each of the major basins would require a lift station in the approximate locations depicted in the layout. It would be most cost effective to provide service to about 138 homes in Phase Two through the Phase One Basin and there would be between 15 and 25 homes in Phase One that might be better served through the Phase Two Basin. Consequently, we would recommend not building out a small portion of Phase One until Phase Two major facilities are underway. This would avoid a temporary lift station.

Appendix D also shows the anticipated force mains from each lift station linking into Woodmen Hills.

For the master planning purposes, we have shown only the larger main trunk sewers. We understand that final location of these and local collection lines will be based on actual ultimate land use and road alignments.

For the sake of estimation, assuming that local collection lines will equal road lengths is a reasonable level of planning at this point. We do recommend a minimum line size of eight inches (8") which is the industry standard.

- 4.2 *Lift Stations and Force Mains:* While the sewer load calculations are based on actual phasing lines, we recommend that roughly 118 equivalent taps be transferred from the Phase Two Basin to Phase One. This results in estimating a slightly larger lift station in Phase One than the actual phasing line indicates. A notation at the bottom of the detailed wastewater projection in *Appendix A* notes this adjustment.

Lift Station #1 planned for the southern utility site has been sized to pump at a flow rate of about 175 GPM through a 6" line, while Lift Station #2 in the northern part of the site is planned to pump at a rate of approximately 500 GPM through either an 8" force main. These force mains are planned to be extended along Stapleton, then west to the Paint Brush Hills Wastewater Treatment Plant (WWTP). Dual conduits have already been placed under the intersection of Stapleton and Eastonville to avoid future cutting of pavement.

- 4.3 *Wastewater Treatment:* 4-Way Ranch Metropolitan Districts have negotiated with Woodmen Hills Metropolitan District to provide wastewater treatment via the Paint Brush Hills WWTP. Woodmen Hills is in the process of making certain upgrades to the existing facility for the near term need with long term needs anticipated to be constructed in roughly 2013. 4-Way already has an initial connection to the Woodmen Hills system which will serve the new church being constructed at the intersection of Stapleton and Eastonville.

As an alternative, 4-Way Ranch Metro has held back a possible treatment plant site on the property if for some reason the Woodmen Hills option cannot be implemented. 4-Way has previously submitted and received Preliminary Effluent Limitations (PELs) from the Colorado Department of Public Health and Environment (CDPHE) for a possible plant at this site. The PELs were obtained with the intent to include reuse and recharge if it is ever necessary to implement this option. The site is noted in Figure 1 in this report.

- 4.4 *Reuse and Recharge Options:* The Denver basin water rights, on which the water supply is based for 4-Way Ranch, are fully consumable rights. This means that 4-Way can use and reuse the water to extinction. As wastewater discharges increase over time, 4-Way would have the opportunity to look at either re-using some of their wastewater effluent or recharging that effluent in exchange for alluvial withdrawals.

The reuse option is being contemplated in future years by WHMD so 4-Way would have the option to participate if and when that occurs.

Recharge and withdrawal would require a court filing, but the Upper Black Squirrel has been studying opportunities for recharge in the upper parts of the basin for some time.

SECTION 5 – IMPLEMENTATION OF FACILITIES

- 5.1 *Cost of Water Facilities:* The District already has a functioning water system in the ground and is not likely to need any central system facilities until the point at which roughly 200 single family equivalent taps are online. *Appendix E* has a summary of expected system costs for both water and sewer facilities. Breakdowns of the major components are also attached. Some elements such as water wells and distribution lines are plugged in as unit costs. While each well site will have slightly different development costs, the sites will be somewhat similar. We have shown a well site, associated raw water line budget, and associated power budget as a unit cost associated with roughly every 200 SFE.

We have planned treatment facilities in 3 stages of the development through build-out. We outlined storage expansion with Phase Two, but we realize that this might happen earlier depending on final commercial site uses which will mandate expanded storage for fire flow.

Breakdowns for costs as allocated to the two Districts are noted in the summary as Phase One and Phase Two. All costs are presented in 2009 dollars.

- 5.2 *Cost of Wastewater Facilities:* Like water, the cost of major system components are broken down in *Appendix E*. A major lift station and force main will be provided at each phase. As is noted in Section 4, the geographical wastewater division line between Phase One and Phase Two is slightly different than the political line.

Also, like water, we have allocated a budget for collection lines based on incremental build-out of filings. This budgetary figure is reasonable for the densities proposed.

With a notable exception, breakdowns for costs as allocated to the two Districts are clear and noted in the summary as Phase One and Phase Two. It is most conducive to serve approximately 138 SFE of Phase Two through Phase One facilities, and it is most effective to serve about 10 to 20 units of Phase One through Phase Two facilities. This discrepancy is relatively minor, and we can provide some sort of judgmental allocation of costs if and when necessary. All costs are presented in 2009 dollars.

- 5.3 *Implementation Timeline:* At this time, we do not have a build-out schedule, but we have organized costs based on actual needs' triggers relative to phasing or tap build-out.

We have updated the original Operation and Maintenance budget and have attached it within the cost analysis Appendix.

Appendix A

Appendix A: 4-Way Ranch Overall Projected Water Demand for Phases I & II

| PHASE I | | | | | | | | | |
|--|-----------|-----------------------------|-------------------|------------------------|--------------------------------|---------------------------------|--------------------------|----------------------|------------------------|
| Parcel Description | # of Lots | Land Use | Land Area (Acres) | Commercial (SF Indoor) | Single Family Equivalent (SFE) | Projection/Allocation (AF/Year) | Average Daily Flow (GPD) | Max Daily Flow (GPD) | Peak Hour Demand (GPM) |
| Filing 1 Residential Lots - Tract A | 42 | Residential Commercial | 135.12 0.57 | 3,000 | 42 1 | 17.64 0.23 | 15,747 205 | 38,580 503 | 40 1 |
| Filing 2 Parcel 1 | 200 SFE's | Commercial Multifamily | 27.73 | 43,400 | 10 | 3.33 | 2,973 | 7,283 | 8 |
| Parcel 2 | | Commercial | 3.79 | 17,000 | 200 | 52.00 | 46,420 | 113,728 | 118 |
| Parcel 3 | | Warehouse/Utility | 1.45 | 18,000 | 4 | 1.30 | 1,164 | 2,853 | 3 |
| Parcel 4 | | Commercial | 13.48 | 156,300 | 37 | 11.99 | 10,706 | 26,229 | 27 |
| Parcel 5 | | Medical Professional Office | 7.60 | 53,100 | 13 | 4.07 | 3,637 | 8,911 | 9 |
| Parcel 6 | | Neighborhood Commercial | 5.59 | 50,600 | 12 | 3.88 | 3,466 | 8,491 | 9 |
| Filing 3 | 175 | Residential | 127.82 | | 175 | 56.00 | 49,990 | 122,476 | 128 |
| Filing 4 | 175 | Residential | 136.45 | | 175 | 56.00 | 49,990 | 122,476 | 128 |
| | | Subtotals | 459.60 | 341,400 | 674 | 207.83 | 185,531 | 454,551 | 473 |

| PHASE II | | | | | | | | | |
|--------------------|-----------|-----------------------|-------------------|------------------------|--------------------------------|----------------------------------|--------------------------|----------------------|------------------------|
| Parcel Description | # of Lots | Land Use | Land Area (Acres) | Commercial (SF Indoor) | Single Family Equivalent (SFE) | Projection/Allocation (Acres-ft) | Average Daily Flow (GPD) | Max Daily Flow (GPD) | Peak Hour Demand (GPM) |
| Residential Lots | 2531 | Residential | 0.00 | | 2531 | 809.92 | 723,003 | 1,771,358 | 1,845 |
| Commercial | 1 | Commercial | 23.80 | 134,950 | 32 | 10.35 | 9,243 | 22,646 | 24 |
| Commercial | 1 | Commercial | 22.20 | 125,877 | 30 | 9.66 | 8,622 | 21,123 | 22 |
| Treatment Facility | 1 | Utility | 10.40 | | 1 | 0.42 | 375 | 919 | 1 |
| Parks | 2 | Recreation | | | 13 | 4.00 | 3,571 | 8,748 | 9 |
| | | Subtotals | 56.40 | 260,827 | 2607 | 834.35 | 744,814 | 1,824,794 | 1,901 |
| | | TOTALS | | | 3281 | 1042.2 | 930,345 | 2,279,345 | 2,374 |
| | | TOTALS plus 5% | | | 3445 | 1094.3 | 976,862 | 2,393,312 | 2,493 |

Notes:

- Residential Demand for Filing 1 = 0.42 AF/SFE
- Residential Demand for Filings 2, 3, 4, and Phase II = 0.32 AF/SFE
- Multifamily Demand = 0.26 AF/SFE
- Commercial Demand = 25 GPY/sf Indoor
- Commercial Demand in Phase II is based on Density of Commercial in Phase I
- (3.5 Acre Lots)
- (0.19 AF/sf Indoor + 0.13 AF/sf Indoor for Irrigation)
- (0.19 AF/sf Indoor + 2 ft/sf-vegetation/Year with 300,000 sf vegetation)
- (20 GPY/sf Indoor + 5 GPY/sf Indoor for Irrigation)

Appendix A: 4-Way Ranch Overall Projected Wastewater Loads for Phases I & II

| PHASE I | | | | | | | |
|---|------------|--|--|---|---------------------------------------|--|--|
| Parcel Description | # of Lots | Land Use | Land Area (Acres) | Commercial (SF Indoor) | Single Family Equivalent (SFE) | Average Daily Flow (GPD) | Max Daily Flow (GPD) |
| Filing 1 Residential Lots - Tract A | 42 | Residential Commercial | 135.12 0.57 | 3,000 | 0 1 | 0 133 | 0 153 |
| Filing 2 Parcel 1 Residential Parcel 2 Parcel 3 Parcel 4 Parcel 5 Parcel 6 | 200 | Commercial Multifamily Commercial Warehouse/Utility Commercial Medical Professional Office Neighborhood Commercial | 27.73 3.79 1.45 13.48 7.60 5.59 | 43,400 17,000 18,000 156,300 53,100 50,600 | 10 200 4 4 37 13 12 | 1,925 37,000 754 798 6,933 2,355 2,245 | 2,214 42,550 867 918 7,973 2,709 2,581 |
| Filing 3 Filing 4 | 175 175 | Residential Residential | 127.82 136.45 | | 175 175 | 32,375 32,375 | 37,231 37,231 |
| | | Subtotals | 459.60 | 341,400 | 632 | 116,894 | 134,428 |

| PHASE II | | | | | | | |
|--------------------------|-----------|--------------------------|-------------------|------------------------|--------------------------------|--------------------------|----------------------|
| Parcel Description | # of Lots | Land Use | Land Area (Acres) | Commercial (SF Indoor) | Single Family Equivalent (SFE) | Average Daily Flow (GPD) | Max Daily Flow (GPD) |
| Residential Lots | 2531 | Residential | 0.00 | | 2531 | 468,235 | 538,470 |
| Commercial Commercial | 1 1 | Commercial Commercial | 23.80 22.20 | 134,950 125,877 | 32 30 | 5,986 5,584 | 6,884 6,421 |
| Treatment Facility | 1 | Utility | 10.40 | | 1 | 185 | 213 |
| Parks | 2 | Recreation | | | 1 | 185 | 213 |
| | | Subtotals | 56.40 | 260,827 | 2596 | 480,175 | 552,201 |
| | | TOTALS | 516.00 | 602227 | 3227 | 597,069 | 686,629 |
| | | | | | Plus 5% | 626,922 | 720,960 |

Notes:

Residential Demand for Filings 2, 3, 4, and Phase II = 185 GPD/SFE
 Commercial Demand = SFE calculated from overall water demand

We recommend that for wastewater planning, a net addition of 118 equivalent taps be planned for in the Phase One lift station
 The net phasing adjustment is as follows:

| | Single Family Equivalent (SFE) | Average Daily Flow (GPD) | Max Daily Flow (GPD) |
|-----------------------|--------------------------------|--------------------------|----------------------|
| Phase One Sewer Basin | 750 | 138,724 | 159,532 |
| Phase Two Sewer Basin | 2,478 | 458,345 | 527,096 |

Appendix B

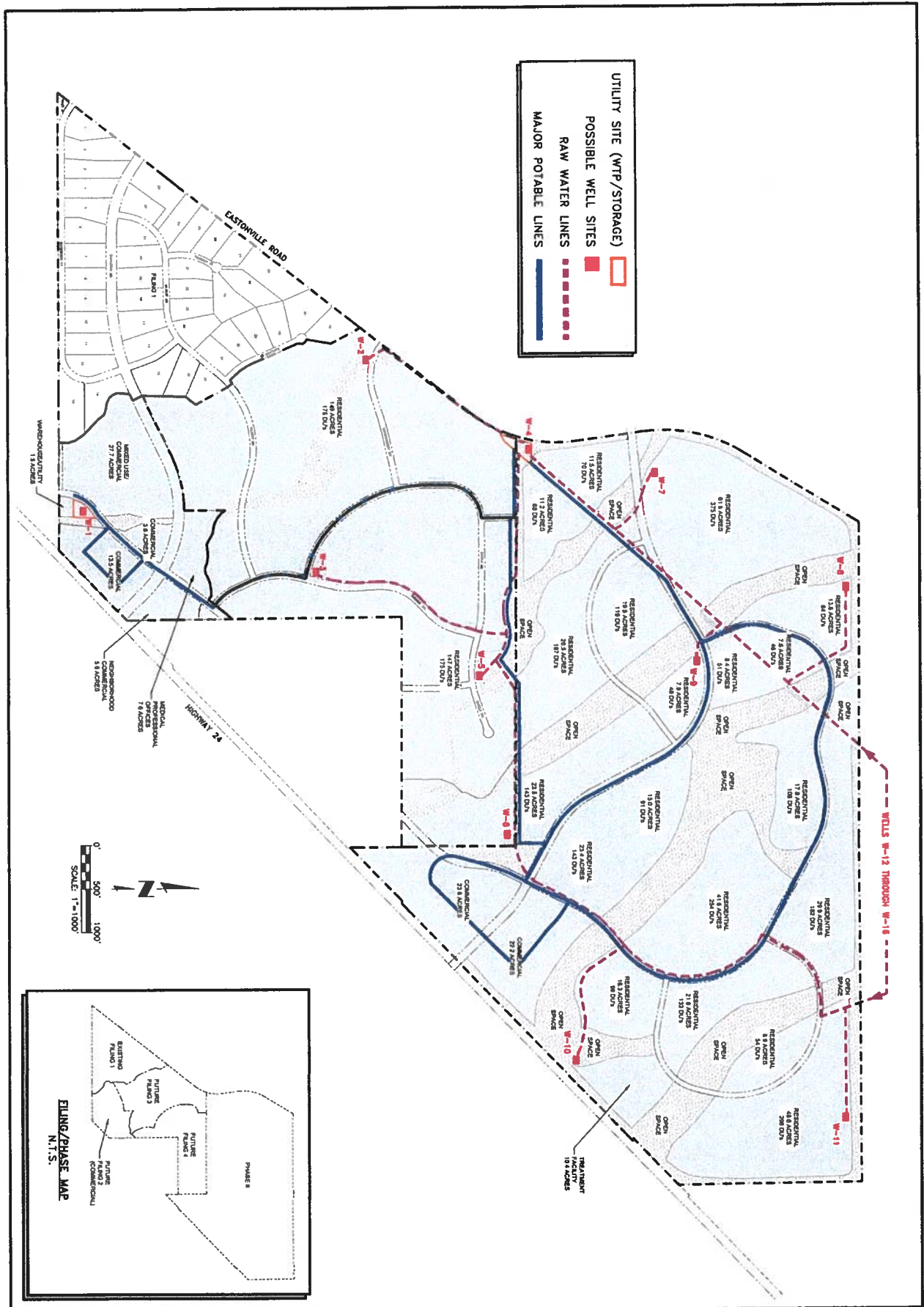
Appendix B
Summary of Groundwater Determination and Findings of Water Supply
4 Way Ranch

| Aquifer | 100 Year Withdrawal | 300 Year Withdrawal | Augmentation Requirement | Reduced by Existing Well Permit |
|----------------------|----------------------------|----------------------------|---------------------------------|--|
| Dawson NT (Area B) | 816 | 272 | None | Reduced by Existing permits |
| Dawson NNT (Area A) | 1643 | 548 | Replacement Plan | Reduced by Existing permits |
| Dawson NNT(Area C) | 147 | 49 | Replacement Plan | Reduced by Existing permits |
| Denver NT (Area A) | 881 | 294 | None | None |
| Denver NNT (Area B) | 2593 | 864 | 4% | Reduced by Existing permits |
| Laramie-Fox Hills NT | 2429 | 810 | None | None |
| Arapahoe | 2615 | 872 | None | None |

Total 8509 State Engineer 100 Year Finds

Total 3708 El Paso County 300 Year Finds

Appendix C



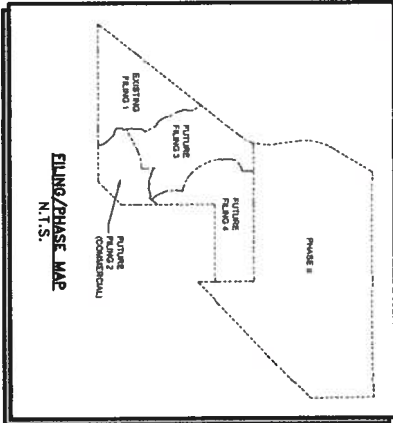
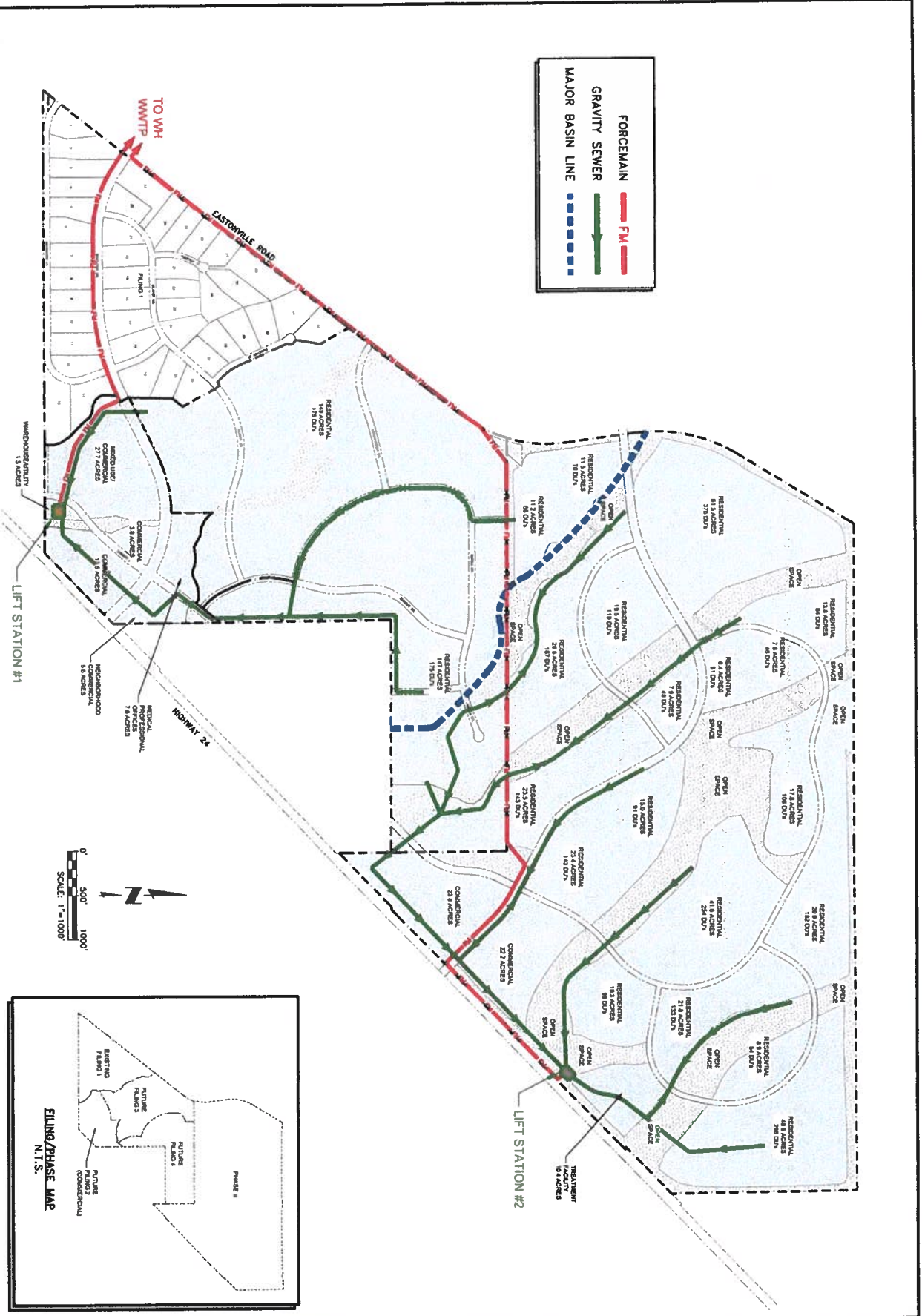
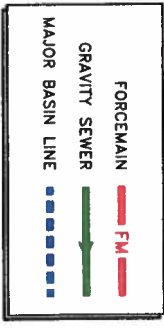
| | |
|-------------|----------|
| Project No. | 138.18 |
| Scale | 1"=1000' |
| Date | 08/25/08 |
| Author | SSM |
| Drawn | SSM |
| Checked | JPM |
| Reviewed | |

**4-WAY RANCH METROPOLITAN DISTRICT
CENTRAL WATER SYSTEM
MAJOR IMPROVEMENTS
APPENDIX C**

JDS-HYDRO CONSULTANTS, INC.
545 EAST PIKES PEAK AVENUE, SUITE 300
COLORADO SPRINGS, COLORADO 80903
(719) 227-0072

C
2

Appendix D



| | |
|-------------|----------|
| Project No. | 18418 |
| Date | 11/14/18 |
| Drawn By | DL/2018 |
| Checked By | JPM |
| Scale | AS SHOWN |

**4-WAY RANCH METROPOLITAN DISTRICT
CENTRAL WASTEWATER SYSTEM
MAJOR IMPROVEMENTS**
APPENDIX D

JDS-HYDRO CONSULTANTS, INC.
545 EAST PIKES PEAK AVENUE, SUITE 300
COLORADO SPRINGS, COLORADO 80903
(719) 227-0072

Appendix E

**Overall Water Facilities Spreadsheet
4-Way Ranch Metropolitan District(s)**

| Improvement | Build when SFE= | Capital Cost 2009 Dollars | Distribution/ Transmission | Comments |
|----------------------------------|--------------------|------------------------------|-------------------------------|---|
| Phase One | | | | |
| Stage 1 Central Water (Existing) | 120 GPM | \$ | \$ 2,100,000 | |
| Stage 2 Central Water Treatment | 300 GPM | \$1,928,948 | | Existing includes distribution/transmission |
| Well Site #2 | 200 | \$1,145,482 | \$ 1,222,874 | Note: In order to simplify analysis, we allocated an average cost of raw water line extension to each well site. As we worked through the raw water lines, it appears that it is a very reasonable estimate |
| Well Site #3 | 400 | \$1,145,482 | \$ 1,222,874 | |
| Well Site #4 | 500 | \$1,145,482 | \$ 1,222,874 | |
| | | \$7,465,394 | \$ 3,668,621 | |
| Phase Two | | | | |
| Stage 3 Central Water Treatment | 650 GPM | \$3,369,068 | | Superstructure for Stage 4 is constructed at this time. A separate site is an option for FP 3 |
| Storage 1.75 MG | 700 | \$1,347,306 | | Storage may be most dependent on commercial fire need-could go sooner depending on the exact nature of commercial development in Phase One |
| Well Site #5 | 800 | \$1,145,482 | \$ 1,222,874 | Options for recharge/exchange start becoming considerations |
| Well Site #6 | 1000 | \$1,145,482 | \$ 1,222,874 | At well sites 7 and up, an additional well into Denver or Dawson would be drilled |
| Well Site #7 | 1260 | \$1,466,217 | 1,589,736 | |
| Well Site #8 | 1520 | \$1,466,217 | 1,589,736 | |
| Stage 4 Central Water Treatment | 1000 GPM | \$3,219,614 | | Equipment Only with some external Superstructure in place with Stage 3 |
| Well Site #9 | 1780 | \$1,466,217 | 1,589,736 | |
| Well Site #11 | 2040 | \$1,466,217 | 1,589,736 | |
| Well Site #12 | 2300 | \$1,466,217 | 1,589,736 | |
| Well Site #13 | 2560 | \$1,466,217 | 1,589,736 | |
| Well Site #14 | 2820 | \$1,466,217 | 1,589,736 | |
| Well Site #15 | 3080 | \$1,466,217 | 1,589,736 | |
| Well Site #16 | 3340 | \$1,466,217 | 1,589,736 | |
| | | \$23,442,906 | \$ 16,753,368 | |

Since the Engineer has no control over the cost of labor, materials or equipment, or over the Contractor's method of determining prices, or over competitive bidding or market conditions, his opinions of probable construction cost provided herein are made on the basis of his experience and qualifications. These opinions represent his best judgment as a design professional familiar with the construction industry. However, the Engineer cannot and does not guarantee that proposals, bids, or the construction cost will not vary from opinions of probable cost prepared by him.

**Overall Wastewater Facilities Spreadsheets
4-Way Ranch Metropolitan Districts**

| Improvement | Build when SFE= | Capital Cost 2009 Dollars | Collection/ Trunk Sewers | Comments |
|----------------------------|------------------|---------------------------|--------------------------|-----------------------|
| Phase One | | | | |
| Lift Station/Force Main #1 | 0 | \$ 1,333,007 | \$ - | |
| Collection/Trunk Mains | 0 | | \$ 1,858,716 | |
| Pump Upgrades | 175 | \$ 322,465 | | |
| Collection/Trunk Mains | 350 | | \$ 1,858,716 | |
| | Phase One | \$ 1,655,472 | \$ 3,717,431 | |
| Phase Two | | | | |
| Lift Station Force Main #2 | 700 | \$ 2,851,818 | | Lift Station Number 2 |
| Collection/Trunk Mains | 700 | | \$ 1,858,716 | |
| Collection/Trunk Mains | 1050 | | \$ 1,858,716 | |
| Collection/Trunk Mains | 1400 | | \$ 1,858,716 | |
| Collection/Trunk Mains | 1750 | | \$ 1,858,716 | |
| Collection/Trunk Mains | 2100 | | \$ 1,858,716 | |
| Collection/Trunk Mains | 2450 | | \$ 1,858,716 | |
| Collection/Trunk Mains | 2800 | | \$ 1,858,716 | |
| Collection/Trunk Mains | 3150 | | \$ 1,858,716 | |
| | Phase Two | \$ 2,851,818 | \$ 14,969,725 | |

Note: In order to simplify analysis, we allocated an average cost of collection and trunk mains per 350 SFE

Since the Engineer has no control over the cost of labor, materials, or equipment, or over the Contractor's method of determining prices, or over competitive bidding or market conditions, his opinions of probable construction cost provided for herein are made on the basis of his experience and qualifications. These opinions represent his best judgment as a design professional familiar with the construction industry. However, the Engineer cannot and does not guarantee that proposals, bids, or the construction cost will not vary from opinions of probable cost prepared by him.

Appendix E

**Cost Estimate for Phase I Stage 2 Central Water Facilities
Owner: 4 -Way Ranch Metropolitan District(s)**

| Item | Unit | Quan. | Unit Cost | Item Total |
|--|------|-------|--------------|--------------------|
| Well Sites (EACH) | | | | |
| 1 Arapahoe | LF | 1,950 | \$140.00 | \$273,000 |
| 2 Arap. Completion | LS | 1 | \$89,000.00 | \$89,000 |
| 3 Laramie Fox Hills | LF | 2,600 | \$140.00 | \$364,000 |
| 4 LFH Completion | LS | 1 | \$122,000.00 | \$122,000 |
| 5 Metering Vault | LS | 1 | \$41,500.00 | \$41,500 |
| 6 Yard Piping/Grading | LS | 1 | \$17,000.00 | \$17,000 |
| 7 Power | LS | 1 | \$45,000.00 | \$45,000 |
| 8 Unused | LS | 0 | \$0.00 | \$0 |
| 9 Unused | LS | 0 | \$0.00 | \$0 |
| <i>Subtotal</i> | | | | \$951,500 |
| Raw Water Pipelines Phase One | | | | |
| 10 4 Inch PVC Water Line | LF | 4,900 | \$23.00 | \$112,700 |
| 11 4 Inch Valves | EA | 7 | \$700.00 | \$4,900 |
| 12 6 Inch PVC Water Line | LF | 200 | \$33.00 | \$6,600 |
| 13 6 Inch Valves | EA | 4 | \$950.00 | \$3,800 |
| 14 10 Inch PVC Water Line | LF | 2,400 | \$45.00 | \$108,000 |
| 15 10 Inch Valves | EA | 4 | \$1,300.00 | \$5,200 |
| 16 Unused | LF | 0 | \$0.00 | \$0 |
| <i>Subtotal</i> | | | | \$241,200 |
| <i>One well Site plus 1/3 Raw water lines</i> | | | | \$1,031,820 |
| <i>Contingency</i> | | | | \$103,182 |
| <i>Permitting/Design</i> | | | | \$90,800 |
| Project Cost per Well Site for 1 LFH and 1 Arap | | | | \$1,145,482 |
| For Well Sites 2, 3, and 4 | | | | \$3,436,446 |
| Treatment/Pumping | | | | |
| 1 Superstructure | LF | 1,200 | \$235.00 | \$282,000 |
| 2 Treatment 2) 150 GPM | LS | 1 | \$353,000.00 | \$353,000 |
| 3 Contact Tanks | LS | 1 | \$97,500.00 | \$97,500 |
| 4 Sodium Hypochlorite | LS | 1 | \$29,500.00 | \$29,500 |
| 5 Ph Control | LS | 1 | \$15,500.00 | \$15,500 |
| 6 Interior Piping | LS | 1 | \$167,500.00 | \$167,500 |
| 7 Controls | LS | 1 | \$55,000.00 | \$25,000 |
| 8 Electrical | LS | 1 | \$96,500.00 | \$96,500 |
| 9 Backwash Tank | LS | 1 | \$135,000.00 | \$135,000 |
| 10 Direct feed VFD Booster System | LS | 1 | \$177,500.00 | \$177,500 |
| 11 Control Valves/Meters | LS | 1 | \$26,000.00 | \$26,000 |
| 12 Yard Piping | LS | 1 | \$35,000.00 | \$35,000 |
| 13 Site Work | LS | 1 | \$45,000.00 | \$45,000 |
| 14 Miscellaneous | LS | 1 | \$55,000.00 | \$55,000 |
| 16 Unused | LS | 0 | \$0.00 | \$0 |
| <i>Subtotal</i> | | | | \$1,540,000 |
| 10 % Construction Contingency | | | | \$154,000 |
| Design/Bidding Engineering | | | | \$169,400 |
| Misc | | | | \$18,500 |
| Construction Engineering | | | | \$47,048 |
| PROJECT TOTAL | | | | \$1,928,948 |

Since the Engineer has no control over the cost of labor, materials or equipment, or over the Contractor's method of determining prices, or over competitive bidding or market conditions, his opinions of probable construction cost provided for herein are made on the basis of his experience and qualifications. These opinions represent his best judgment as a design professional familiar with the construction industry. However, the Engineer cannot and does not guarantee that proposals, bids, or the construction cost will not vary from opinions of probable cost prepared by him.

Appendix E

Cost Estimate for Phase Two Stage 3 Treatment

Owner: 4 -Way Ranch Metropolitan District(s)

| Item | Unit | Quan. | Unit Cost | Item Total |
|--------------------------------------|------|-------|--------------|--------------------|
| <i>Stage 3 Treatment</i> | | | | |
| <i>Treatment/Pumping</i> | | | | |
| 1 Superstructure | LF | 3,750 | \$185.00 | \$693,750 |
| 2 Treatment 2) 325 GPM System | LS | 1 | \$842,000.00 | \$842,000 |
| 3 Concrete Contact Laborinth | LS | 1 | \$126,000.00 | \$126,000 |
| 4 Sodium Hypochlorite | LS | 1 | \$36,000.00 | \$36,000 |
| 5 Ph Control | LS | 1 | \$25,500.00 | \$25,500 |
| 6 Interior Piping | LS | 1 | \$167,500.00 | \$167,500 |
| 7 Controls | LS | 1 | \$154,000.00 | \$25,000 |
| 8 Electrical | LS | 1 | \$205,000.00 | \$205,000 |
| 9 Open Concrete Backwash Tank | LS | 1 | \$135,000.00 | \$135,000 |
| 10 Direct feed VFD Booster System * | LS | 1 | \$152,000.00 | \$152,000 |
| 11 Control Valves/Meters | LS | 1 | \$53,000.00 | \$53,000 |
| 12 Yard Piping | LS | 1 | \$99,000.00 | \$99,000 |
| 13 Site Work | LS | 1 | \$66,000.00 | \$66,000 |
| 14 Miscellaneous | LS | 1 | \$75,000.00 | \$75,000 |
| 15 Unused | LS | 0 | \$0.00 | \$0 |
| 16 Unused | LS | 0 | \$0.00 | \$0 |
| <i>Subtotal</i> | | | | <i>\$2,700,750</i> |
| <i>* Expansion to Plant #2</i> | | | | |
| Construction Total | | | | \$2,700,750 |
| 10 % Construction Contingency | | | | \$270,075 |
| Design/Bidding Engineering | | | | \$297,083 |
| Misc | | | | \$38,500 |
| Construction Engineering | | | | \$82,660 |
| PROJECT TOTAL | | | | \$3,389,068 |

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Appendix E

Cost Estimate for Phase Two Stage 4 Treatment

Owner: 4 -Way Ranch Metropolitan District(s)

| Item | Unit | Quan. | Unit Cost | Item Total |
|--|------|-------|-----------------|--------------------|
| Stage 4 Treatment | | | | |
| Treatment/Pumping | | | | |
| 1 Superstructure* | LS | 1 | \$50,000.00 | \$50,000 |
| 2 Treatment 3) 350 GPM System | LS | 1 | \$1,210,000.00 | \$1,210,000 |
| 3 Expand Concrete Contact Laborinth | LS | 1 | \$225,000.00 | \$225,000 |
| 4 Sodium Hypochlorite | LS | 1 | \$36,000.00 | \$36,000 |
| 5 Ph Control | LS | 1 | \$25,500.00 | \$25,500 |
| 6 Interior Piping | LS | 1 | \$250,000.00 | \$250,000 |
| 7 Controls | LS | 1 | \$195,000.00 | \$25,000 |
| 8 Electrical | LS | 1 | \$285,000.00 | \$285,000 |
| 9 Open Concrete Backwash Tank (double) | LS | 1 | \$135,000.00 | \$135,000 |
| 10 Direct feed VFD Booster System ** | LS | 1 | \$195,000.00 | \$195,000 |
| 11 Control Valves/Meters | LS | 1 | \$53,000.00 | \$53,000 |
| 12 Yard Piping | LS | 1 | \$35,000.00 | \$35,000 |
| 13 Site Work | LS | 1 | \$35,000.00 | \$35,000 |
| 14 Miscellaneous | LS | 1 | \$50,000.00 | \$50,000 |
| 15 Unused | LS | 0 | \$0.00 | \$0 |
| 16 Unused | LS | 0 | \$0.00 | \$0 |
| | | | Subtotal | \$2,609,500 |
| <i>* Modifications only</i> | | | | |
| <i>** Move system into P-3</i> | | | | |
| Construction Total | | | | \$2,609,500 |
| 10 % Construction Contingency | | | | \$260,950 |
| Design/Bidding Engineering | | | | \$287,045 |
| Misc | | | | \$38,500 |
| Construction Engineering | | | | \$79,900 |
| PROJECT TOTAL | | | | \$3,275,895 |

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Appendix E

Cost Estimate for Phase Two--1.75 Million Gallon Tank

Owner: 4 -Way Ranch Metropolitan District(s)

| Item | Unit | Quan. | Unit Cost | Item Total | |
|--------------------------------------|----------------------------|-------|-----------|-----------------|--------------------|
| <i>Storage</i> | | | | | |
| 1 | 1.75 MGT Steel Butt-welded | LS | 1 | \$717,500.00 | \$717,500 |
| 2 | Site Work | LS | 1 | \$55,000.00 | \$55,000 |
| 3 | Yard Piping | LS | 1 | \$47,000.00 | \$47,000 |
| 4 | Foundation | LS | 1 | \$210,000.00 | \$210,000 |
| 5 | Miscellaneous | LS | 1 | \$25,000.00 | \$25,000 |
| 6 | Unused | LS | 0 | \$0.00 | \$0 |
| 7 | Unused | LS | 0 | \$0.00 | \$0 |
| 8 | Unused | LS | 0 | \$0.00 | \$0 |
| 9 | Unused | LS | 0 | \$0.00 | \$0 |
| | | | | <i>Subtotal</i> | <i>\$1,054,500</i> |
| Construction Total | | | | | \$1,054,500 |
| 10 % Construction Contingency | | | | | \$105,450 |
| Design/Bidding Engineering | | | | | \$115,995 |
| Misc | | | | | \$38,500 |
| Construction Engineering | | | | | \$32,861 |
| PROJECT TOTAL | | | | | \$1,347,306 |

Since the Engineer has no control over the cost of labor, materials or equipment, or over the Contractor's method of determining prices, or over competitive bidding or market conditions, his opinions of probable construction cost provided for herein are made on the basis of his experience and qualifications. These opinions represent his best judgment as a design professional familiar with the construction industry. However, the Engineer cannot and does not guarantee that proposals, bids, or the construction cost will not vary from opinions of probable cost prepared by him.

Appendix E

Cost Estimate for Transmission /Distribution
 Owner: 4 -Way Ranch Metropolitan District(s)

| Item | Unit | Quan. | Unit Cost | Item Total |
|--|------|--------|------------|--------------------|
| <i>Phase Two Transmission Lines</i> | | | | |
| 1 16 Inch Lines | LF | 10,900 | \$72.00 | \$784,800 |
| 2 16 Inch Valves | EA | 27 | \$3,700.00 | \$100,825 |
| 3 12 Inch Lines | LF | 7,200 | \$57.00 | \$410,400 |
| 4 12 Inch Valves | EA | 36 | \$2,100.00 | \$75,600 |
| 5 Fire Hydrants | EA | 30 | \$3,000.00 | \$90,000 |
| 6 Unused | LS | 0 | \$0.00 | \$0 |
| 7 Unused | LS | 0 | \$0.00 | \$0 |
| 8 Unused | LS | 0 | \$0.00 | \$0 |
| 9 Unused | LS | 0 | \$0.00 | \$0 |
| <i>Subtotal</i> | | | | <i>\$1,461,625</i> |
| 10 % Construction Contingency | | | | \$146,163 |
| Design/Bidding Engineering | | | | \$80,389 |
| Misc | | | | \$15,000 |
| Construction Engineering | | | | \$32,156 |
| <i>Phase Two Transmisson Total</i> | | | | <i>\$1,735,333</i> |
| <i>Divided by 2800 SFEs</i> | | | | <i>\$620</i> |
| Multiply by 200 SFE | | | | \$123,952 |
| <i>Test Distribution Area 128 lots</i> | | | | |
| 1 8 Inch PVC Water Line | LF | 10,200 | \$37.00 | \$377,400 |
| 2 8 Inch Gate Valves | EA | 68 | \$1,050.00 | \$71,400 |
| 3 Fire hydrants | EA | 24 | \$3,000.00 | \$72,000 |
| 4 Services | EA | 128 | \$500.00 | \$64,000 |
| 5 Unused | LS | 0 | \$0.00 | \$0 |
| 6 Unused | LS | 0 | \$0.00 | \$0 |
| <i>Subtotal</i> | | | | <i>\$584,800</i> |
| 10 % Construction Contingency | | | | \$58,480 |
| Design/Bidding Engineering | | | | \$32,164 |
| Misc | | | | \$15,000 |
| Construction Engineering | | | | \$12,866 |
| <i>Phase Two Transmisson Total</i> | | | | <i>\$703,310</i> |
| <i>Divided by 128 SFEs</i> | | | | <i>\$5,495</i> |
| Multiply by 200 SFEs | | | | \$1,098,921 |
| Transmission/Distribution Budget per 200 SFEs | | | | \$1,222,874 |

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Appendix E

Cost Estimate for Phase One Lift Station and Force Main

Owner: 4 -Way Ranch Metropolitan District(s)

| Item | Unit | Quan. | Unit Cost | Item Total |
|------------------------------|---------------------------------|-------|--------------------------------------|--------------------------|
| Lift Station | | | | |
| 1 | Wet Well 8 ft. | LS | 1 | \$ 53,000.00 \$ 53,000 |
| 2 | Pump Package | LS | 1 | \$ 187,000.00 \$ 187,000 |
| 3 | Controls | LS | 1 | \$ 18,500.00 \$ 18,500 |
| 4 | 500 Gallon Bioxide System | LS | 1 | \$ 27,300.00 \$ 27,300 |
| 5 | Site Work | LS | 1 | \$ 11,000.00 \$ 11,000 |
| 6 | Auxiliary Storage 40,000 Gallon | LS | 1 | \$ 93,000.00 \$ 93,000 |
| 7 | Backup Power | LS | 1 | \$ 27,500.00 \$ 27,500 |
| 8 | Meter Pit | LS | 1 | \$ 9,500.00 \$ 9,500 |
| 9 | SCADA | LS | 1 | \$ 17,000.00 \$ 17,000 |
| 10 | Miscellaneous | LS | 0 | \$ 25,000.00 \$ 25,000 |
| 11 | Unused | LS | 0 | \$ - \$ - |
| Subtotal Construction | | | | \$ 468,800 |
| Lift Station Upgrade | | | | |
| 1 | Upgrade Pumps | LS | 1 | \$ 90,000.00 \$ 90,000 |
| 2 | Controls Work | LS | 1 | \$ 15,000.00 \$ 15,000 |
| 3 | Auxilliary Storage (80000) | LS | 1 | \$ 135,000.00 \$ 135,000 |
| 4 | Miscellaneous | LS | 1 | \$ 20,000.00 \$ 20,000 |
| 5 | Unused | LS | 0 | \$ - \$ - |
| 6 | Unused | LS | 0 | \$ - \$ - |
| Subtotal Construction | | | | \$ 260,000 |
| Force Main | | | | |
| 1 | 6 inch | LF | 12500 | \$ 39.00 \$ 487,500 |
| 3 | 6 inch Valves | LF | 8 | \$ 950.00 \$ 7,600 |
| 4 | Eastonville Crossing * | LF | 0 | \$ - \$ - |
| 5 | Stapleton Crossing | LS | 110 | \$ 300.00 \$ 33,000 |
| 6 | North Channel Crossing | LS | 1 | \$ 23,000.00 \$ 23,000 |
| 7 | Air Vaes | LS | 2 | \$ 7,300.00 \$ 14,600 |
| 8 | Miscellaneous | LS | 1 | \$ 25,000.00 \$ 25,000 |
| 9 | Unused | LS | 0 | \$ - \$ - |
| 10 | Unused | LS | 0 | \$ - \$ - |
| Subtotal Construction | | | | \$ 590,700 |
| * Casing Installed | | | Construction Total | \$ 1,319,500 |
| | | | 10 % Construction Contingency | \$131,950 |
| | | | Design/Bidding Engineering | \$145,145 |
| | | | Misc | \$18,500 |
| | | | Construction Engineering | \$40,377 |
| PROJECT TOTAL | | | | \$1,655,472 |

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Appendix E

Cost Estimate for Phase Two Lift Station and Force Main

Owner: 4 -Way Ranch Metropolitan District(s)

| Item | Unit | Quan. | Unit Cost | Item Total |
|--------------------------------------|----------------------------------|-------|-----------|--------------------------|
| Lift Station | | | | |
| 1 | Wet Well Custom | LS | 1 | \$ 116,000.00 \$ 116,000 |
| 2 | Pump Package | LS | 1 | \$ 275,000.00 \$ 275,000 |
| 3 | Dry Well - Superstructure | LS | 1 | \$ 300,000.00 \$ 300,000 |
| 4 | Controls | LS | 1 | \$ 80,000.00 \$ 80,000 |
| 5 | 1000 Gallon Bioxide System | LS | 1 | \$ 37,300.00 \$ 37,300 |
| 6 | Site Work | LS | 1 | \$ 30,000.00 \$ 30,000 |
| 7 | Auxiliary Storage 240,000 Gallon | LS | 1 | \$ 240,000.00 \$ 240,000 |
| 8 | Backup Power | LS | 1 | \$ 55,000.00 \$ 55,000 |
| 9 | SCADA | LS | 1 | \$ 31,500.00 \$ 31,500 |
| 10 | Miscellaneous | LS | 1 | \$ 50,000.00 \$ 50,000 |
| 11 | Unused | LS | 0 | \$ - \$ 25,000 |
| 12 | Unused | LS | 0 | \$ - \$ - |
| Subtotal Construction | | | | \$ 1,239,800 |
| Force Main | | | | |
| 1 | 8" PVC C900 DR18 | LF | 19300 | \$ 45.00 \$ 868,500 |
| 2 | 8" Valves | EA | 12 | \$ 1,100.00 \$ 13,200 |
| 3 | North Channel Crossing | LF | 120 | \$ 55.00 \$ 6,600 |
| 4 | High Pressure Gasline Crossing | LF | 20 | \$ 150.00 \$ 3,000 |
| 5 | Londonderry Crossing * | LS | 0 | \$ - \$ - |
| 6 | North Culvert Crossing | LS | 1 | \$ 15,000.00 \$ 15,000 |
| 7 | South Culvert Crossing | LS | 1 | \$ 15,000.00 \$ 15,000 |
| 8 | Eastonville/Stapleton Crossing * | LS | 1 | \$ - \$ - |
| 9 | Lambert Crossing | LF | 60 | \$ 300.00 \$ 18,000 |
| 10 | Channel Crossing west of Lambert | LF | 200 | \$ 300.00 \$ 60,000 |
| 11 | Air Vacs | EA | 2 | \$ 7,500.00 \$ 15,000 |
| 12 | Miscellaneous | LS | 1 | \$ 30,000.00 \$ 30,000 |
| Subtotal Construction | | | | \$ 1,044,300 |
| * Casing Installed | | | | |
| Construction Total | | | | \$ 2,284,100 |
| 10 % Construction Contingency | | | | \$228,410 |
| Design/Bidding Engineering | | | | \$251,251 |
| Misc | | | | \$18,500 |
| Construction Engineering | | | | \$69,557 |
| PROJECT TOTAL | | | | \$2,851,818 |

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Appendix E

Cost Estimate for Wastewater Collection/Trunk Mains

Owner: 4 -Way Ranch Metropolitan District(s)

| Item | Unit | Quan. | Unit Cost | Item Total |
|---|------|-------|------------|--------------------|
| Phase One and Two Trunk Lines | | | | |
| 1 15 Inch PVC Sewer | LF | 3,800 | \$58.00 | \$220,400 |
| 2 5 ft Manholes | EA | 13 | \$3,600.00 | \$45,600 |
| 3 12 Inch PVC Sewer | LF | 8,100 | \$48.00 | \$388,800 |
| 4 5 ft Manholes | EA | 27 | \$3,550.00 | \$95,850 |
| 5 Crossings | LF | 550 | \$300.00 | \$165,000 |
| 6 Unused | LS | 0 | \$0.00 | \$0 |
| 7 Unused | LS | 0 | \$0.00 | \$0 |
| 8 Unused | LS | 0 | \$0.00 | \$0 |
| 9 Unused | LS | 0 | \$0.00 | \$0 |
| Subtotal | | | | \$915,650 |
| 10 % Construction Contingency | | | | \$91,565 |
| Design/Bidding Engineering | | | | \$50,361 |
| Misc | | | | \$15,000 |
| Construction Engineering | | | | \$20,144 |
| Phase One and Two Trunk Line Total | | | | \$1,092,720 |
| <i>Divided by 3500 SFEs</i> | | | | \$390 |
| Multiply by 350 SFE | | | | \$136,590 |
| Test Collection Area 128 lots | | | | |
| 1 8 Inch PVC Sewer | LF | 9,900 | \$39.00 | \$386,100 |
| 2 Manholes | EA | 31 | \$2,950.00 | \$91,450 |
| 3 Services | EA | 128 | \$350.00 | \$44,800 |
| 4 Unused | LS | 0 | \$0.00 | \$0 |
| 5 Unused | LS | 0 | \$0.00 | \$0 |
| 6 Unused | LS | 0 | \$0.00 | \$0 |
| Subtotal | | | | \$522,350 |
| 10 % Construction Contingency | | | | \$52,235 |
| Design/Bidding Engineering | | | | \$28,729 |
| Misc | | | | \$15,000 |
| Construction Engineering | | | | \$11,492 |
| Test Area Total | | | | \$629,806 |
| <i>Divided by 128 SFEs</i> | | | | \$4,920 |
| Multiply by 350 SFE | | | | \$1,722,126 |
| Collection/Trunk Mains Budget per 350 SFEs | | | | \$1,858,716 |

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4 Way Ranch Metropolitan District No. 2
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2011 through 2045

| | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 |
|--|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Calculation of Assessed Valuation | | | | | | | | | | | |
| Market values - residential homes (000's) | | | | | | | | | | | | |
| Beginning | 1,189,260 | 1,213,046 | 1,213,046 | 1,237,307 | 1,237,307 | 1,262,053 | 1,262,053 | 1,287,294 | 1,287,294 | 1,313,040 | 1,313,040 | 1,339,300 |
| Increases (see Exhibit III) | | | | | | | | | | | | |
| Biennial reassessment (1% per annum) | 23,785 | - | 24,261 | - | 24,746 | - | 25,241 | - | 25,746 | - | 26,261 | - |
| Ending market values | 1,213,046 | 1,213,046 | 1,237,307 | 1,237,307 | 1,262,053 | 1,262,053 | 1,287,294 | 1,287,294 | 1,313,040 | 1,313,040 | 1,339,300 | 1,339,300 |
| Residential assessment ratio | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% | 7.96% |
| Assessed value - residential (000's) | 96,558 | 96,558 | 98,490 | 98,490 | 100,459 | 100,459 | 102,469 | 102,469 | 104,518 | 104,518 | 106,608 | 106,608 |
| Market values - lots & commercial | | | | | | | | | | | | |
| Beginning | 64,654 | 65,947 | 65,947 | 67,266 | 67,266 | 68,611 | 68,611 | 69,984 | 69,984 | 71,383 | 71,383 | 72,811 |
| Increases - commercial (see Exhibit III) | | | | | | | | | | | | |
| Adjust to actual for 2009 | | | | | | | | | | | | |
| Increase (decrease) finished lots | | | | | | | | | | | | |
| Biennial reassessment (1% per annum) | 1,293 | - | 1,319 | - | 1,345 | - | 1,372 | - | 1,400 | - | 1,428 | - |
| Ending market values | 65,947 | 65,947 | 67,266 | 67,266 | 68,611 | 68,611 | 69,984 | 69,984 | 71,383 | 71,383 | 72,811 | 72,811 |
| Commercial assessment ratio | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% | 29.00% |
| Assessed value - commercial (000's) | 19,125 | 19,125 | 19,507 | 19,507 | 19,897 | 19,897 | 20,295 | 20,295 | 20,701 | 20,701 | 21,115 | 21,115 |
| Total assessed valuation (000's) | 115,683 | 115,683 | 117,997 | 117,997 | 120,357 | 120,357 | 122,764 | 122,764 | 125,219 | 125,219 | 127,723 | 127,723 |

See Summary of Significant Assumptions and Accounting Policies

| |
|--|
| 4 Way Ranch Metropolitan District No. 2 Forecasted Schedule of General Obligation Debt - Series 2011 For the Years Ended December 31, 2011 through 2041 |
|--|

| <u>Year</u> | <u>Principal</u> | <u>Coupon</u> | <u>Interest</u> | <u>Annual Total</u> | <u>Outstanding Balance</u> |
|-------------|-------------------|---------------|-------------------|---------------------|----------------------------|
| 2011 | | | 700,000 | 700,000 | 20,000,000 |
| 2012 | | | 700,000 | | 20,000,000 |
| 2012 | | | 700,000 | 1,400,000 | 20,000,000 |
| 2013 | | | 700,000 | | 20,000,000 |
| 2013 | | | 700,000 | 1,400,000 | 20,000,000 |
| 2014 | | | 700,000 | | 20,000,000 |
| 2014 | | 7.000% | 700,000 | 1,400,000 | 20,000,000 |
| 2015 | | | 700,000 | | 20,000,000 |
| 2015 | | 7.000% | 700,000 | 1,400,000 | 20,000,000 |
| 2016 | | | 700,000 | | 20,000,000 |
| 2016 | | 7.000% | 700,000 | 1,400,000 | 20,000,000 |
| 2017 | | | 700,000 | | 20,000,000 |
| 2017 | | 7.000% | 700,000 | 1,400,000 | 20,000,000 |
| 2018 | | | 700,000 | | 20,000,000 |
| 2018 | | 7.000% | 700,000 | 1,400,000 | 20,000,000 |
| 2019 | | | 700,000 | | 20,000,000 |
| 2019 | | 7.000% | 700,000 | 1,400,000 | 20,000,000 |
| 2020 | | | 700,000 | | 20,000,000 |
| 2020 | | 7.000% | 700,000 | 1,400,000 | 20,000,000 |
| 2021 | | | 700,000 | | 20,000,000 |
| 2021 | | 7.000% | 700,000 | 1,400,000 | 20,000,000 |
| 2022 | | | 700,000 | | 20,000,000 |
| 2022 | | 7.000% | 700,000 | 1,400,000 | 20,000,000 |
| 2023 | | | 700,000 | | 20,000,000 |
| 2023 | 630,000 | 7.000% | 700,000 | 2,030,000 | 19,370,000 |
| 2024 | | | 677,950 | | 19,370,000 |
| 2024 | 675,000 | 7.000% | 677,950 | 2,030,900 | 18,695,000 |
| 2025 | | | 654,325 | | 18,695,000 |
| 2025 | 720,000 | 7.000% | 654,325 | 2,028,650 | 17,975,000 |
| 2026 | | | 629,125 | | 17,975,000 |
| 2026 | 770,000 | 7.000% | 629,125 | 2,028,250 | 17,205,000 |
| 2027 | | | 602,175 | | 17,205,000 |
| 2027 | 825,000 | 7.000% | 602,175 | 2,029,350 | 16,380,000 |
| 2028 | | | 573,300 | | 16,380,000 |
| 2028 | 885,000 | 7.000% | 573,300 | 2,031,600 | 15,495,000 |
| 2029 | | | 542,325 | | 15,495,000 |
| 2029 | 945,000 | 7.000% | 542,325 | 2,029,650 | 14,550,000 |
| 2030 | | | 509,250 | | 14,550,000 |
| 2030 | 1,010,000 | 7.000% | 509,250 | 2,028,500 | 13,540,000 |
| 2031 | | | 473,900 | | 13,540,000 |
| 2031 | 1,085,000 | 7.000% | 473,900 | 2,032,800 | 12,455,000 |
| 2032 | | | 435,925 | | 12,455,000 |
| 2032 | 1,160,000 | 7.000% | 435,925 | 2,031,850 | 11,295,000 |
| 2033 | | | 395,325 | | 11,295,000 |
| 2033 | 1,240,000 | 7.000% | 395,325 | 2,030,650 | 10,055,000 |
| 2034 | | | 351,925 | | 10,055,000 |
| 2034 | 1,325,000 | 7.000% | 351,925 | 2,028,850 | 8,730,000 |
| 2035 | | | 305,550 | | 8,730,000 |
| 2035 | 1,420,000 | 7.000% | 305,550 | 2,031,100 | 7,310,000 |
| 2036 | | | 255,850 | | 7,310,000 |
| 2036 | 1,520,000 | 7.000% | 255,850 | 2,031,700 | 5,790,000 |
| 2037 | | | 202,650 | | 5,790,000 |
| 2037 | 1,625,000 | 7.000% | 202,650 | 2,030,300 | 4,165,000 |
| 2038 | | | 145,775 | | 4,165,000 |
| 2038 | 1,740,000 | 7.000% | 145,775 | 2,031,550 | 2,425,000 |
| 2039 | | | 84,875 | | 2,425,000 |
| 2039 | 2,425,000 | 7.000% | 84,875 | 2,815,425 | |
| | <u>20,000,000</u> | | <u>31,180,450</u> | <u>51,401,125</u> | |

| |
|--|
| 4 Way Ranch Metropolitan District No. 2 Forecasted Schedule of General Obligation Debt - Series 2015 For the Years Ended December 31, 2015 through 2044 |
|--|

| Year | Principal | Coupon | Interest | Annual Total | Outstanding Balance |
|------|-------------------|--------|-------------------|-------------------|---------------------|
| | | | | | 24,000,000 |
| 2015 | | | 840,000 | 840,000 | 24,000,000 |
| 2016 | | | 840,000 | 840,000 | 24,000,000 |
| 2016 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2017 | | | 840,000 | 840,000 | 24,000,000 |
| 2017 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2018 | | | 840,000 | 840,000 | 24,000,000 |
| 2018 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2019 | | | 840,000 | 840,000 | 24,000,000 |
| 2019 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2020 | | | 840,000 | 840,000 | 24,000,000 |
| 2020 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2021 | | | 840,000 | 840,000 | 24,000,000 |
| 2021 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2022 | | | 840,000 | 840,000 | 24,000,000 |
| 2022 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2023 | | | 840,000 | 840,000 | 24,000,000 |
| 2023 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2024 | | | 840,000 | 840,000 | 24,000,000 |
| 2024 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2025 | | | 840,000 | 840,000 | 24,000,000 |
| 2025 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2026 | | | 840,000 | 840,000 | 24,000,000 |
| 2026 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2027 | | | 840,000 | 840,000 | 24,000,000 |
| 2027 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2028 | | | 840,000 | 840,000 | 24,000,000 |
| 2028 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2029 | | | 840,000 | 840,000 | 24,000,000 |
| 2029 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2030 | | | 840,000 | 840,000 | 24,000,000 |
| 2030 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2031 | | | 840,000 | 840,000 | 24,000,000 |
| 2031 | | | 840,000 | 1,680,000 | 24,000,000 |
| 2032 | | | 840,000 | 840,000 | 24,000,000 |
| 2032 | 520,000 | 7.000% | 840,000 | 2,200,000 | 23,480,000 |
| 2033 | - | | 821,800 | - | 23,480,000 |
| 2033 | 555,000 | 7.000% | 821,800 | 2,198,600 | 22,925,000 |
| 2034 | - | | 802,375 | - | 22,925,000 |
| 2034 | 595,000 | 7.000% | 802,375 | 2,199,750 | 22,330,000 |
| 2035 | - | | 781,550 | - | 22,330,000 |
| 2035 | 635,000 | 7.000% | 781,550 | 2,198,100 | 21,695,000 |
| 2036 | - | | 759,325 | - | 21,695,000 |
| 2036 | 680,000 | 7.000% | 759,325 | 2,198,650 | 21,015,000 |
| 2037 | - | | 735,525 | - | 21,015,000 |
| 2037 | 725,000 | 7.000% | 735,525 | 2,196,050 | 20,290,000 |
| 2038 | - | | 710,150 | - | 20,290,000 |
| 2038 | 780,000 | 7.000% | 710,150 | 2,200,300 | 19,510,000 |
| 2039 | - | | 682,850 | - | 19,510,000 |
| 2039 | 835,000 | 7.000% | 682,850 | 2,200,700 | 18,675,000 |
| 2040 | - | | 653,625 | - | 18,675,000 |
| 2040 | 2,590,000 | 7.000% | 653,625 | 3,897,250 | 16,085,000 |
| 2041 | - | | 562,975 | - | 16,085,000 |
| 2041 | 2,770,000 | 7.000% | 562,975 | 3,895,950 | 13,315,000 |
| 2042 | - | | 466,025 | - | 13,315,000 |
| 2042 | 3,265,000 | 7.000% | 466,025 | 4,197,050 | 10,050,000 |
| 2043 | - | | 351,750 | - | 10,050,000 |
| 2043 | 3,495,000 | 7.000% | 351,750 | 4,198,500 | 6,555,000 |
| 2044 | - | | 229,425 | - | 6,555,000 |
| 2044 | 6,555,000 | 7.000% | 229,425 | 7,013,850 | - |
| | <u>24,000,000</u> | | <u>44,514,750</u> | <u>68,514,750</u> | |

| |
|--|
| 4 Way Ranch Metropolitan District No. 2 Forecasted Schedule of General Obligation Debt - Series 2018 For the Years Ended December 31, 2018 through 2045 |
|--|

| Year | Principal | Coupon | Interest | Annual Total | Outstanding Balance |
|------|-------------------|--------|-------------------|-------------------|---------------------|
| | | | | | 10,000,000 |
| 2018 | | | 350,000 | 350,000 | 10,000,000 |
| 2019 | | | 350,000 | | 10,000,000 |
| 2019 | | | 350,000 | 700,000 | 10,000,000 |
| 2020 | | | 350,000 | | 10,000,000 |
| 2020 | | | 350,000 | 700,000 | 10,000,000 |
| 2021 | | | 350,000 | | 10,000,000 |
| 2021 | | | 350,000 | 700,000 | 10,000,000 |
| 2022 | | | 350,000 | | 10,000,000 |
| 2022 | | | 350,000 | 700,000 | 10,000,000 |
| 2023 | | | 350,000 | | 10,000,000 |
| 2023 | | | 350,000 | 700,000 | 10,000,000 |
| 2024 | | | 350,000 | | 10,000,000 |
| 2024 | | | 350,000 | 700,000 | 10,000,000 |
| 2025 | | | 350,000 | | 10,000,000 |
| 2025 | | | 350,000 | 700,000 | 10,000,000 |
| 2026 | | | 350,000 | | 10,000,000 |
| 2026 | | | 350,000 | 700,000 | 10,000,000 |
| 2027 | | | 350,000 | | 10,000,000 |
| 2027 | 165,000 | 7.000% | 350,000 | 865,000 | 9,835,000 |
| 2028 | | | 344,225 | | 9,835,000 |
| 2028 | 180,000 | 7.000% | 344,225 | 868,450 | 9,655,000 |
| 2029 | | | 337,925 | | 9,655,000 |
| 2029 | 190,000 | 7.000% | 337,925 | 865,850 | 9,465,000 |
| 2030 | | | 331,275 | | 9,465,000 |
| 2030 | 205,000 | 7.000% | 331,275 | 867,550 | 9,260,000 |
| 2031 | | | 324,100 | | 9,260,000 |
| 2031 | 220,000 | 7.000% | 324,100 | 868,200 | 9,040,000 |
| 2032 | | | 316,400 | | 9,040,000 |
| 2032 | 235,000 | 7.000% | 316,400 | 867,800 | 8,805,000 |
| 2033 | | | 308,175 | | 8,805,000 |
| 2033 | 250,000 | 7.000% | 308,175 | 866,350 | 8,555,000 |
| 2034 | | | 299,425 | | 8,555,000 |
| 2034 | 265,000 | 7.000% | 299,425 | 863,850 | 8,290,000 |
| 2035 | | | 290,150 | | 8,290,000 |
| 2035 | 285,000 | 7.000% | 290,150 | 865,300 | 8,005,000 |
| 2036 | | | 280,175 | | 8,005,000 |
| 2036 | 305,000 | 7.000% | 280,175 | 865,350 | 7,700,000 |
| 2037 | | | 269,500 | | 7,700,000 |
| 2037 | 325,000 | 7.000% | 269,500 | 864,000 | 7,375,000 |
| 2038 | | | 258,125 | | 7,375,000 |
| 2038 | 350,000 | 7.000% | 258,125 | 866,250 | 7,025,000 |
| 2039 | | | 245,875 | | 7,025,000 |
| 2039 | 375,000 | 7.000% | 245,875 | 866,750 | 6,650,000 |
| 2040 | | | 232,750 | | 6,650,000 |
| 2040 | 370,000 | 7.000% | 232,750 | 835,500 | 6,280,000 |
| 2041 | | | 219,800 | | 6,280,000 |
| 2041 | 395,000 | 7.000% | 219,800 | 834,600 | 5,885,000 |
| 2042 | | | 205,975 | | 5,885,000 |
| 2042 | 355,000 | 7.000% | 205,975 | 766,950 | 5,530,000 |
| 2043 | | | 193,550 | | 5,530,000 |
| 2043 | 280,000 | 7.000% | 193,550 | 667,100 | 5,250,000 |
| 2044 | | | 183,750 | | 5,250,000 |
| 2044 | 100,000 | 7.000% | 183,750 | 467,500 | 5,150,000 |
| 2045 | | | 180,250 | | 5,150,000 |
| 2045 | 5,150,000 | 7.000% | 180,250 | 5,510,500 | |
| | <u>10,000,000</u> | | <u>16,292,850</u> | <u>26,292,850</u> | |

**4 Way Bank Metropolitan District No. 2
Forecasted Schedules of Absorption
and Market Values
For the Years Ended December 31, 2011 through 2020**

Schedule of Absorption

| Property Description | Year | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | Total |
|---|------|------|------|------|------|------|------|------|------|------|------|------|------|---------|-----------|------|------|------|------|------|---------|-----------|
| Residential Units | | | | | | | | | | | | | | | | | | | | | | |
| Filing 1 | | | 25 | 25 | 25 | 25 | | | | | | | | | | | | | | | | 100 |
| Filing 2 | | | 25 | 25 | 25 | 25 | 50 | 50 | | | | | | | | | | | | | | 200 |
| Filing 3 | | | | | 25 | 25 | 50 | 50 | 50 | | | | | | | | | | | | | 200 |
| Filing 4 | | | | | 25 | 25 | 25 | 25 | | 50 | | | | | | | | | | | | 200 |
| Filing 5 | | | | | | | | 25 | 50 | 50 | | | | | | | | | | | | 200 |
| Filing 6 | | | | | | | | 25 | 25 | 50 | 50 | | | | | | | | | | | 200 |
| Filing 7 | | | | | | | | | 25 | 25 | 50 | 50 | | | | | | | | | | 200 |
| Filing 8 | | | | | | | | | | 25 | 25 | 25 | 25 | 50 | 50 | 25 | | | | | | 200 |
| Filing 9 | | | | | | | | | | | 25 | 50 | 50 | 50 | 50 | 50 | 25 | | | | | 200 |
| Filing 10 | | | | | | | | | | | | | | 25 | 25 | 25 | 50 | 50 | | | | 200 |
| Filing 11 | | | | | | | | | | | | | | | | | | 50 | 50 | | | 200 |
| Filing 12 | | | | | | | | | | | | | | | | | | | 25 | 25 | 50 | 100 |
| Filing 13 | | | | | | | | | | | | | | | | | | | 25 | 25 | 50 | 200 |
| Total Residential | | | 50 | 50 | 100 | 100 | 175 | 175 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 2,500 |
| Commercial Square Feet | | | | | | | | | | | | | | | | | | | | | | |
| Parcel 1 Retail | | | | | | | | | | | | | | | | | | | | | | 50,000 |
| Parcel 1 Office Warehouse | | | | | | | | | | | | | | | | | | | | | | 50,000 |
| Parcel 1 Retail | | | | | | | | | | | | | | | | | | | | | | 55,000 |
| Parcel 2 Big Box | | | | | | | | | | | | | | | | | | | | | | 70,000 |
| Parcel 2 Retail | | | | | | | | | | | | | | | | | | | | | | 60,000 |
| Parcel 2 Medical Office | | | | | | | | | | | | | | | | | | | | | | 25,000 |
| Parcel 6 Retail | | | | | | | | | | | | | | | | | | | | | | 55,000 |
| Total Commercial | | | | | | | | | | | | | | 195,000 | | | | | | | 211,000 | 406,000 |
| Undeveloped Land & Finished Lots | | | | | | | | | | | | | | | | | | | | | | |
| Filing 1 in 13 | | | 50 | | | 25 | | 25 | | | | | | | | | | | | | | (150) |
| Commercial Sq. Feet | | | | | | | | | | | | | | 195,000 | (195,000) | | | | | | 211,000 | (211,000) |

Tap Fees

| Property Description | Year | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | Total |
|-----------------------------|--------|------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|
| Filing 1 13 | 18,000 | | 800,000 | 800,000 | 1,600,000 | 1,600,000 | 2,000,000 | 2,000,000 | 2,400,000 | 2,400,000 | 2,400,000 | 2,400,000 | 2,400,000 | 2,400,000 | 2,400,000 | 2,400,000 | 2,400,000 | 2,400,000 | 2,400,000 | 2,400,000 | 2,400,000 | 40,000,000 |
| Commercial (135 @75 SF/lot) | 18,000 | | (50,000) | (50,000) | (100,000) | (100,000) | (175,000) | (175,000) | (150,000) | (150,000) | (150,000) | (150,000) | (150,000) | (150,000) | (150,000) | (150,000) | (150,000) | (150,000) | (150,000) | (150,000) | (150,000) | (2,175,000) |
| Less \$14 per SF | | | 750,000 | 750,000 | 1,500,000 | 1,600,000 | 1,875,000 | 1,875,000 | 2,750,000 | 2,750,000 | 2,750,000 | 2,750,000 | 2,750,000 | 3,178,753 | 2,750,000 | 2,750,000 | 2,750,000 | 2,750,000 | 2,750,000 | 2,750,000 | 2,750,000 | 38,528,000 |

See Summary of Significant Assumptions and Accounting Policies