

NOTICE OF MEETING

CASTLE OAKS METROPOLITAN DISTRICT DOUGLAS COUNTY, COLORADO

NOTICE IS HEREBY GIVEN that the Board of Directors of Castle Oaks Metropolitan District, Douglas County, Colorado, will meet in special session at the offices of Park Land Company, 9800 Mt. Pyramid Court, Suite 340, Englewood, CO 80112, on Friday, the 16th day of November, 2012, at the hour of 11:00 a.m.

At this meeting, it is anticipated that the Board will make a final determination to issue and refund general obligation indebtedness. Specifically, the District will consider adoption of a resolution authorizing: (i) the issuance of its General Obligation Limited Tax Refunding and Improvement Bonds in the approximate principal amount of \$17,185,000 (the "Bonds"), for the purpose of refunding its existing general obligation indebtedness issued in 2005 (the "Series 2005 Bonds") and for the purpose of reimbursing or paying the costs of public infrastructure for the District; (ii) the execution of an Indenture of Trust (the "Indenture") between the District and UMB Bank, n.a., as trustee (the "Trustee"); (iii) the execution of a Debt Service Guaranty Agreement between and among the District, the Trustee, and Starwood Land Ventures, LLC (the "Guarantor"); (iv) the execution of a Bond Purchase Agreement between the District and D.A. Davidson & Co., and (v) the execution of certain other documents, agreements, and certificates pertaining to the Bonds and the marketing and sale thereof.

The Bonds are limited tax obligations of the District, for the payment of which the District is obligated to impose an ad valorem property tax each year in an amount sufficient to pay the Bonds when due, but in an amount not less than 46 mills and not more than 61.1809 mills (the "Limited Mill Levy"). The maximum Limited Mill Levy is the equivalent of 50 mills, adjusted for changes in law since the date of approval of the original Service Plan (September 28, 2000), and is the same maximum mill levy pledged to the payment of the Series 2005 Bonds. In the event of a change in law, including a change in the method of calculating assessed valuation, the minimum and maximum Limited Mill Levy will be increased or decreased to reflect such changes so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such change.

In addition, in order to achieve a lower interest rate, the Bonds are to be additionally secured by the Debt Service Guaranty Agreement. In the event that District revenues pledged to the Bonds are insufficient to pay the Bonds as they come due, the Guarantor will be obligated to advance moneys to the District in order to make such payment, in a maximum amount to be determined by an authorized officer of the District (the "Guaranty Amount"). The Guaranty Amount reduces as the assessed valuation of the District increases, in accordance with a formula set forth in the Debt Service Guaranty Agreement. In the event advances are made by the Guarantor, the District is obligated to reimburse such amounts, with interest at the rate per annum to be determined (the "Guaranty Reimbursement Obligation"),

provided that any such Guaranty Reimbursement Obligation is to be paid only from the Limited Mill Levy and other moneys available under the Indenture.

The foregoing is a summary of some of the terms of the Bonds and the Guaranty Reimbursement Obligation, and is subject in all respects to the final terms of the relevant documents. As set forth hereafter, pursuant to state statutes, some of such financial terms of the Bonds and the Guaranty Reimbursement Obligation will be delegated to authorized officers for determination after the date of this meeting. Draft copies of the Bond documents are available for inspection and copying at the offices of the District at 2154 E. Commons Ave., Suite 2000, Centennial, Colorado 80122.

In accordance with the Supplemental Public Securities Act (Title 11, Article 57, Part 2, Colorado Revised Statutes):

(1) Pursuant to §11-57-205, C.R.S., the District intends to delegate to certain authorized officers various maximum financial parameters for the Bonds, including without limitation the maximum principal amount, the maximum interest rate to be borne by the Bonds and any Guaranty Reimbursement Obligation, the maximum Guaranty Amount, the terms on which the Bonds may be called for prior redemption, and other matters permitted to be delegated by such statute.

(2) Pursuant to §11-57-211, C.R.S., one or more members of the Board may participate in this meeting and may vote on the foregoing matters through the use of a conference telephone or other telecommunications device.

(3) Pursuant to §11-57-212, C.R.S., no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization or issuance of securities such as the Bonds by a public entity such as the District may be commenced more than thirty days after the authorization of such securities.

In addition to the matters set forth above, the Board will also take up such other business as may come before the Board. The meeting is open to the public.

This notice is given by order of the Board of Directors of the District.

**CASTLE OAKS METROPOLITAN
DISTRICT, DOUGLAS COUNTY,
COLORADO**

By: /s/ Daniel Wilhelm
Secretary

Posted at three public places within the District, and at the office of the Douglas County Clerk and Recorder, not less than 72 hours prior to the meeting.