

SERVICE PLAN
FOR
SALISBURY HEIGHTS METROPOLITAN DISTRICT
TOWN OF PARKER, COLORADO

Prepared

by

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I. INTRODUCTION

A. Purpose and Intent.

The District is an independent unit of local government, separate and distinct from the Town, and, except as may otherwise be provided for by State or local law, or this Service Plan, its activities are subject to review by the Town only insofar as they may deviate in a material matter from the requirements of the Service Plan, Chapter 10.11 of the Town Code or the Intergovernmental Agreement. It is intended that the District will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements.

The District is not being created to provide ongoing operations and maintenance services other than as specifically set forth in this Service Plan and the Intergovernmental Agreement.

B. Need for the District.

There are currently no other governmental entities, including the Town, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

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

The Town's objective in approving the Service Plan for the District is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment and financing of the Public Improvements from the proceeds of Debt to be issued by the District. All Debt is expected to be repaid by limited taxes imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term for residential properties and at a tax mill levy no higher than the Maximum Debt Mill Levy for residential properties. Debt which is issued within these parameters (as further described in the Financial Plan) will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Service Plan is intended to establish a limited purpose for the District and explicit financial constraints that are not to be violated under any circumstances. The primary purpose of the District is to provide for the Public Improvements associated with the Project, including those regional improvements necessitated by the Project. Ongoing operational and maintenance activities may be allowed, but only as specifically provided for in the Intergovernmental Agreement.

It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a court determination that adequate provision has been made for the payment of all Debt, and if the District has authorized operating functions under an intergovernmental

agreement with the Town, to retain only the power necessary to impose and collect taxes or fees to pay for these costs.

The District shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from tax revenues collected from a mill levy which shall not exceed the Maximum Debt Mill Levy on residential properties and which shall not exceed the Maximum Debt Mill Levy Imposition Term on residential properties. It is the intent of this Service Plan to assure to the extent possible that no residential property bear an economic burden that is greater in amount than that associated with the Maximum Debt Mill Levy and that no property developed for a residential use bear an economic burden that is longer in duration than that associated with the Maximum Debt Mill Levy Imposition Term, even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters and the financing capacity of the District are not costs to be paid by the District. Costs of required Public Improvements that cannot be financed by the District are expected to be financed by the developer of the Project.

II. DEFINITIONS

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

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

Board: means the board of directors of the District.

Bond, Bonds or Debt: means bonds or other obligations for the payment of which the District has promised to impose an ad valorem property tax mill levy.

Capital Plan: means the Capital Plan described in Section V.B. which includes: (a) a comprehensive list of the Public Improvements to be developed by the District; (b) an engineer's estimate of the cost of the Public Improvements; and (c) a pro forma capital expenditure plan correlating expenditures with development.

Development Fee: means the one-time development or system development fee imposed by the District on a per unit (residential) or per square foot (non-residential) basis at or prior to the issuance of a certificate of occupancy for the unit or structure to assist with the planning and development of the Public Improvements, subject to the limitations set forth in Section VI.E. of the Service Plan. The Development Fee may be used to finance, plan, acquire, and construct the Public Improvements, and pay debt service.

District: means the Salisbury Heights Metropolitan District.

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

District Boundary Map: means the map attached hereto as Exhibit C-1, describing the District's boundaries.

External Financial Advisor: means a consultant that: (1) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (2) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (3) is not an officer or employee of the District and has not been otherwise engaged to provide services in connection with the transaction related to the applicable Debt.

Financial Plan: means the Financial Plan described in Section VI which describes (a) how the Public Improvements are to be financed; (b) how the Debt is expected to be incurred; (c) the estimated operating revenue derived from property taxes for the first budget year; (d) the total amount of Debt planned for at least the five-year period commencing with the formation of the District; (e) all proposed sources of revenue and projected District expenses, as well as the assumptions upon which they are based, for at least a ten-year period from the date of District formation; (f) the dollar amount of any anticipated financing, including capitalized interest, costs of issuance, estimated maximum rates and discounts, and any expenses related to the organization and initial operation of the District; (g) a detailed repayment plan covering the life of any financing, including the frequency and amounts to be collected from all sources; (h) the amount of any reserve fund and the expected level of annual Debt service coverage which will be maintained for any financing; (i) the total authorized Debt for the District; (j) the provisions regarding any credit enhancement, if any, for the proposed financing, including, but not limited to, letters of credit and insurance; and (k) a list and written explanation of potential risks of the financing.

Inclusion Area: [NOT APPLICABLE]

Inclusion Area Boundary Map: [NOT APPLICABLE]

Intergovernmental Agreement: means the intergovernmental agreement required by Town Code Section 10.11.140(a), and attached hereto as Exhibit H.

Map Depicting Public Improvements: means the map attached hereto as Exhibit E, showing the location(s) of the Public Improvements listed in the Capital Plan.

Maximum Debt Mill Levy: means the maximum mill levy the District is permitted to impose for payment of District administrative operating expenses and Debt, as set forth in Section VI.C. below.

Maximum Debt Mill Levy Imposition Term: means the maximum term for imposition of a mill levy on a particular property developed for residential uses as set forth in Section VI.D below.

Project: means the development or property commonly referred to as Salisbury Heights.

Proof of Ownership: means a current title commitment showing ownership and all encumbrances on all properties within the District Boundaries, or other documentation acceptable to the Town Attorney.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped as part of an Approved Development Plan, and financed as generally described in the Special District Act, except as specifically limited in Section V below, to serve the future taxpayers and inhabitants of the Service Area as determined by the Board of the District.

Service Area: means the property within the District Boundary Map.

Service Plan: means this service plan for the District approved by Town Council.

Service Plan Amendment: means an amendment to the Service Plan approved by Town Council in accordance with Chapter 10.11 of the Town Code and the applicable state law.

Special District Act: means Section 32-1-101, et seq., of the Colorado Revised Statutes, as amended from time to time.

State: means the State of Colorado.

Town: means the Town of Parker, Colorado.

Town Code: means the Town of Parker Municipal Code, as may be amended and in effect from time to time.

Town Council: means the Town Council of the Town of Parker, Colorado.

III. BOUNDARIES

The area of the District Boundaries includes approximately 38.5 acres. A legal description of the District Boundaries is attached hereto as Exhibit A. A map of the District Boundaries is attached hereto as Exhibit C-1. Proof of Ownership and consents of the owners to organization of the District for all properties within the District Boundaries is attached hereto as Exhibit C-2. A vicinity map is attached hereto as Exhibit B. The District's Boundaries are not anticipated to change due to inclusions and exclusions pursuant to Section 32-1-401, et seq., C.R.S., and Section 32-1-501, et seq., C.R.S. However, if the District determines to include or exclude property, such inclusions and/or exclusions shall be subject to the limitations set forth in Article V below.

IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION

The Service Area consists of approximately 38.5 acres of land. The current assessed valuation of the Service Area is assumed to be \$0.00, for purposes of this Service Plan and, at build-out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan. The residential population of the District at build-out is estimated to be approximately 325 persons (based upon 2.5 persons per household).

Approval of this Service Plan by the Town does not imply approval of the development of a specific area within the District, nor does it imply approval of the number of residential units which may be identified in this Service Plan or any of the exhibits attached thereto. The permitted level of the development within the Project is as contained within an Approved Development Plan.

Approval of this Service Plan by the Town in no way releases or relieves the developer of the Project, or the landowner or any subdivider of the Project property, or any of their respective successors or assigns, of obligations to construct Public Improvements for the Project or of obligations to provide to the Town such financial guarantees as may be required by the Town to ensure the completion of the Public Improvements, or of any other obligations to the Town under the Town Code or any applicable annexation agreement, subdivision agreement, or other agreements affecting the Project property or development thereof.

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES

A. Powers of the District and Service Plan Amendment.

The District shall have the power and authority to provide the Public Improvements within and without the boundaries of the District as such power and authority is described in the Special District Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth in this Service Plan and the Intergovernmental Agreement.

1. **Operations and Maintenance Limitation.** The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The District shall dedicate the Public Improvements to the Town or other appropriate jurisdiction or owners association in a manner consistent with the Approved Development Plan, other rules and regulations of the Town, and applicable provisions of the Town Code, all as directed by the Town. The District shall not be authorized to operate and maintain any part or all of the Public Improvements or any other improvements, public or private, unless specifically provided for in the Intergovernmental Agreement.

2. **Fire Protection Limitation.** The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless such facilities and services are provided pursuant to an intergovernmental agreement with the Town. The authority to plan for, design, acquire, construct, install, relocate, redevelop or finance fire hydrants and related improvements installed as part of the water system shall not be limited by this provision.

3. Television Relay and Translation; Mosquito Control, and Other Limitations. Unless such facilities and services are provided pursuant to an intergovernmental agreement with the Town, the District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate, maintain or provide: (a) any television relay and translation facilities and services, other than for the installation of conduit as a part of a street construction project; (b) any mosquito control facilities and services; (c) any solid waste disposal, collection and transportation facilities and services; and (d) any security, covenant enforcement and design review services.

4. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the Town and of federal and state governmental entities having proper jurisdiction, and of those special districts that qualify as “interested persons” under Section 32-1-204(1), C.R.S., as applicable. The District will obtain the Town’s approval of civil engineering plans and will obtain applicable permits for construction and installation of the Public Improvements prior to performing such work.

5. Property Acquisition Limitation; Transfer Requirement. The District shall not exercise any power of dominant eminent domain against the Town without the prior written consent of the Town. The District shall at no expense to the Town transfer to the Town all rights-of-way, fee interests and easements that the Town determines are necessary for access to and operation and maintenance of the Public Improvements, consistent with the Approved Development Plan and to the extent such interests have not been acquired by the Town through such Development Plan process.

6. Privately Placed Debt Limitation. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the District’s Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by the District for the [insert the designation of the Debt] does not exceed a market [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

7. Inclusion and Exclusion Limitations. The District shall not include within any of its boundaries any property outside the Service Area without the prior written consent of the Town Council. The District shall not exclude any property from the District if such

exclusion will result, or is reasonably anticipated to result, in detriment to the remaining residents and taxpayers within the District, or to the District's bondholders.

8. Initial Debt Limitation. On or before the effective date of approval of an Approved Development Plan, the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose or collect any fees or revenues from any other source for the purpose of repayment of Debt.

9. Total Debt Issuance Limitation. The District shall not issue Debt in excess of \$3,335,000 total aggregate principal amount.

10. Monies from Other Governmental Sources. The District shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds available from or through governmental or non-profit entities for which the Town is eligible to apply for, except as may be specifically authorized in an intergovernmental agreement with the Town. This Section shall not apply to specific ownership taxes which shall be distributed to and be a revenue source for the District without any limitation.

11. Consolidation Limitation. The District shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the Town.

12. Bankruptcy Limitation. All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, the total debt issuance limitation, and the Maximum Debt Mill Levy Imposition Term have been established under the authority of the Town to approve a Service Plan with conditions pursuant to Section 32-1-204.5, C.R.S. It is expressly intended that such limitations:

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

(b) are, together with all other requirements of Colorado law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Service Plan, pursuant to Section 32-1-207, C.R.S., and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the Town as part of a Service Plan Amendment.

13. Revenue Bond Limitation. The District shall not issue revenue bonds, except as set forth in this Section. Prior to issuing any revenue bonds, the District shall submit all relevant details of such issuance to the Town Council, which may elect to treat the issuance of the revenue bonds as a material modification of the Service Plan. If the Town Council determines that the issuance of revenue bonds constitutes a material modification of the Service

Plan, the District shall proceed to amend the Service Plan in accordance with Section 32-1-207, C.R.S., prior to issuing any revenue bonds.

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

The District is an independent unit of local government, separate and distinct from the Town, and its activities are subject to review by the Town only insofar as they may deviate in a material manner from the requirements of the Service Plan, Chapter 10.11 of the Town Code, or the Intergovernmental Agreement. As such, any action of the District which: (1) violates the limitations set forth in Sections V.A.1-14 above; (2) violates the limitations set forth in Section VI.B-H; (3) constitutes a material modification under Town Code section 10.11.060; or (4) constitutes a failure to comply with the Intergovernmental Agreement or other agreement with the Town, which non-compliance has not been waived in writing by the Town, shall be deemed to be a material modification to this Service Plan and the Town shall be entitled to all remedies available under State and local law to enjoin such action(s) of the District.

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

B. Capital Plan.

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment and financing of the Public Improvements within the boundaries of the District and, to the extent necessary to improve adjacent streets (including without limitation median improvements) and connect Public Improvements to existing infrastructure, without the boundaries of the District, all to be more specifically defined in an Approved Development Plan. A Capital Plan, including: (1) a comprehensive list of the Public Improvements to be developed by the District; (2) an estimate of the cost of the Public Improvements, together with a letter from a Colorado professional registered engineer certifying that such costs are reasonable in the engineer’s opinion and that such estimates were prepared based upon Town construction standards; and (3) a pro forma capital expenditure plan correlating expenditures with development, is attached hereto as Exhibit D. Maps depicting Public Improvements are attached hereto as Exhibit E. As shown in the Capital Plan, the estimated cost of the Public Improvements which may be planned for, designed, acquired,

constructed, installed, relocated, redeveloped or financed by the District is approximately Four Million Six Hundred Eight Seven Thousand Nine Hundred Ninety Seven Dollars (\$4,687,997). Costs of required Public Improvements that cannot be financed by the District within the parameters of this Service Plan and the financial capability of the District are expected to be financed by the developer of the Project.

The District shall be permitted to allocate costs between such categories of the Public Improvements as deemed necessary in its discretion.

All of the Public Improvements described herein will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the Town and shall be in accordance with the requirements of the Approved Development Plan. All descriptions of the Public Improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, the Town's requirements, and construction scheduling may require. Upon approval of this Service Plan, the District will continue to develop and refine the Capital Plan and the Map Depicting Public Improvements, as necessary, and prepare for issuance of Debt. All cost estimates will be inflated to then-current dollars at the time of the issuance of Debt and construction. All construction cost estimates contained in Exhibit D assume construction to applicable standards and specifications of the Town and state and federal requirements.

VI. FINANCIAL PLAN

A. General.

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay within the Maximum Debt Mill Levy Imposition Term from revenues derived from the Maximum Debt Mill Levy and other legally available revenues. All bonds and other Debt issued by the District may be payable from any and all legally available revenues of the District, including general ad valorem taxes to be imposed upon all taxable property within the District. The District will also rely upon various other revenue sources authorized by law, such as interest, specific ownership taxes, advances from the Project developer and grants. The District is not authorized to assess or collect any Development Fees and, unless specifically authorized in the Intergovernmental Agreement, the District shall not impose or assess any Development Fees or any other fees, rates, tolls, penalties, or charges without first obtaining Town approval of an amendment to this Service Plan, which amendment shall be deemed to be a material modification hereof.

The total Debt that the District shall be permitted to issue shall not exceed \$3,335,000 in aggregate principal amount. Debt is permitted to be issued on a schedule and in such year or years as the District determines shall meet the needs of the Capital Plan referenced above and the progression of the development, subject to compliance with this Service Plan. The \$3,335,000 that the District shall be permitted to issue is supported by the Financial Plan prepared by Stan Bernstein and Associates ("Bernstein"), attached hereto as Exhibit F. Bernstein

shall attach a certification to the Financial Plan, certifying that based upon the assumptions contained therein and its professional opinion, the District is expected to retire all Debt referenced in the Financial Plan within the restrictions set forth in the Service Plan, including, but not limited to, the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term.

B. Maximum Voted Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is limited to the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt shall not exceed twelve percent (12%). The proposed maximum underwriting discount will be four percent (4%). Debt, when issued, will comply with all relevant requirements of this Service Plan, State law and Federal law as then applicable to the issuance of public securities.

C. Maximum Debt Mill Levy

The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District, and shall be determined as follows:

1. For the portion of any aggregate District Debt which exceeds 50% of the District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be thirty-five (35) mills less the number of mills necessary to pay District administrative operating expenses (provided that the District can contract with its bondholders to limit its administrative operating expense mill levy) and less the number of mills necessary to pay unlimited mill levy Debt described in Section VI.C.2 below; provided that if, on or after January 1, 2000, there are or were changes in the ratio of actual valuation to assessed valuation, pursuant to Article X, Section 3(1)(b) of the Colorado Constitution and legislation implementing such Section, then the mill levy limitation applicable to such Debt may be increased or decreased to offset such change, such mill levy increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy are neither diminished nor enhanced as a result of such changes (a "Gallagher Adjustment"). As of the date of this Service Plan, the Gallagher Adjustment allows for a Maximum Debt Mill Levy of 42.827 mills. Except for such a permitted Gallagher adjustment, the District's mill levy shall not exceed the Maximum Debt Mill Levy. If the District otherwise proposes to adjust its mill levy above the Maximum Debt Mill Levy for the purpose of offsetting any constitutionally or legislatively mandated credit, cut, abatement or change in the method of calculating assessed valuation, the District shall first submit all relevant details of such proposed adjustment to the Town Administrator, who may approve such proposed adjustment in writing or refer the proposal to the Town Council, which may elect to treat the proposed mill levy adjustment as a material modification of the Service Plan. If the Town Council determines that such adjustment constitutes a material modification of the Service Plan, the District shall proceed to amend the Service Plan in accordance with Section 32-1-207, C.R.S. The District shall obtain written approval of the Town Administrator or of a Service Plan amendment prior to any such mill levy adjustment.

2. For the portion of any aggregate District Debt which is equal to or less than 50% of the District's assessed valuation, either on the date of issuance or at any time

thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

3. For purposes of the foregoing, once Debt has been determined to be within Section VI.C.2 above, so that the District is entitled to pledge to its payment an unlimited ad valorem mill levy, the District may provide that such Debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent change in the District's Debt to assessed ratio. All Debt issued by the District must be issued in compliance with the requirements of Section 32-1-1101, C.R.S., and all other requirements of State law.

D. Maximum Debt Mill Levy Imposition Term.

The District shall not impose a levy for repayment of any and all Debt (or use the proceeds of any mill levy for repayment of Debt) on any single property developed for residential use which exceeds thirty (30) years after the year of the initial imposition of such mill levy unless a majority of the Board of the District are residents of the District and have voted in favor of a refunding of a part or all of the Debt and such refunding will result in a net present value savings as set forth in Section 11-56-101, C.R.S., et seq.

E. Debt Repayment Sources.

The District may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service and for District administrative operating expenses, subject to Section V.A.1, above. In no event shall the debt service mill levy in the District exceed the Maximum Debt Mill Levy or, for residential property within the District, the Maximum Debt Mill Levy Imposition Term.

F. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond, and in the Service Plan of the District.

A substantially similar statement describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Service Plan shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District. If no offering documents are used, then the District shall deliver the statement to any prospective purchaser of such Debt. The Town may, by written notice to the District, require modifications to the form of disclosures statement.

G. Security for Debt.

The District shall not pledge any revenue, property or other assets of the Town as security for any District indebtedness. Approval of this Service Plan shall not be construed as a guarantee by the Town of payment of any of the District's obligations; nor shall anything in the Service Plan be construed so as to create any responsibility or liability on the part of the Town in the event of default by the District in the payment of any such obligation.

H. TABOR Compliance.

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

I. District's Administrative Operating Costs.

The estimated cost of engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, are anticipated to be One Hundred Thousand Dollars (\$100,000), which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed and maintained, if such maintenance is addressed in the Intergovernmental Agreement. The first year's operating budget is estimated to be Fifty Thousand Dollars (\$50,000) which is anticipated to be derived from property taxes and other revenues, including developer advances. The District shall maintain, from revenues derived from the Maximum Debt Mill Levy and other legally available revenues authorized under this Service Plan, sufficient funds to pay such District operating costs.

The District shall dedicate all Public Improvements to the Town or other appropriate entities, and shall not operate and/or maintain any Public Improvements unless specifically provided for in the Intergovernmental Agreement or any amendments thereto. For this District, no such operation and maintenance functions are specifically authorized to the District in the Intergovernmental Agreement and the District shall impose no mill levy other than the Maximum Debt Mill Levy, as set forth in Section VI.C. above.

J. Subdistricts.

The District may organize subdistricts or areas as allowed by Section 32-1-1101(1)(f), C.R.S.; provided, however, that without the approval of the Town, any such subdistrict(s) or area(s) shall be subject to all limitations on debt and other provisions of the Service Plan. In accordance with Section 32-1-1101(1)(f)(I), C.R.S., the District shall notify the Town prior to establishing any such subdistrict(s) or area(s), and shall provide the Town with details regarding the purpose, location, and relationship of the subdistrict(s) or area(s). The

Town Council may elect to treat the organization of any such subdistrict(s) or area(s) as a material modification of the Service Plan.

VII. ANNUAL REPORT

A. General. In accordance with Town Code section 10.11.040, the District shall file an annual report with the Town Clerk not later than September 1 of each calendar year following the year in which the Order and Decree creating the District has been issued by the District Court for and in Douglas County, Colorado, which annual report shall reflect activity and financial events of the District through the preceding December 31 (the "report year"). The Town Council reserves the right, pursuant to Section 32-1-207(3)(c), C.R.S., to request annual reports from the District beyond five (5) years after the District's organization.

B. Reporting of Significant Events.

The annual report shall include the following:

1. A narrative summary of the progress of the District in implementing its Service Plan for the report year;
2. Except when exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the District for the report year including a statement of financial condition (i.e., balance sheet) as of December 31 of the report year and the statement of operations (i.e., revenues and expenditures) for the report year;
3. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of Public Improvements in the report year, as well as any Public Improvements proposed to be undertaken in the five (5) years following the report year;
4. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the amount of outstanding Debt, the amount and terms of any new Debt issued in the report year, the amount of payment or retirement of existing Debt of the District in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year, and the current mill levy of the District pledged to Debt retirement in the report year;
5. The District's budget for the calendar year in which the annual report is submitted;
6. A summary of the residential development in the District for the report year;
7. A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year;

8. Certification of the Board that no action, event or condition enumerated in Town Code section 10.11.060 has occurred in the report year, or certification that such event has occurred but that an amendment to the Service Plan that allows such event has been approved by Town Council;

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

10. Certification from the Board of the District that the District is in compliance with all provisions of the Service Plan.

11. A copy of the most recent notice issued by the District, pursuant to Section 32-1-809, C.R.S.

VIII. DISSOLUTION

Upon an independent determination of the Town Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions in the District Court for and in Douglas County, Colorado, for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required pursuant to State statutes.

IX. DISCLOSURE TO PURCHASERS

The Town wants residential buyers to be aware of the additional tax burden to be imposed. The Town mandates early written and recorded notice of the total (overlapping) tax burden, including the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, if applicable. The Town will review the type and timing of the disclosure, which the proponents of the District are proposing. The notice shall be recorded against all property within the District prior to the District's certification of the formation of the District to the Colorado Division of Local Government as required by Section 32-1-306, C.R.S.

There is attached hereto as Exhibit G the Project Developer's Indemnification Letter, which is submitted to the Town by the Developer as part of this Service Plan. There is also attached hereto as Exhibit G the form of a District Indemnification Letter. The District shall approve and execute the Indemnification Letter at its first Board meeting after its organizational election, in the same form as the Indemnification Letter set forth in Exhibit G and shall promptly deliver an executed original to the Town.

X. INTERGOVERNMENTAL AGREEMENTS

The form of the intergovernmental agreement required by Town Code section 10.11.140(a), relating to the limitations imposed on the District's activities, is attached hereto as Exhibit H. The District shall approve and execute the Intergovernmental Agreement at its first Board meeting after its organizational election, in the same form as the Intergovernmental Agreement approved by Town Council, and shall promptly deliver an executed original to the

Town. Failure of the District to execute the Intergovernmental Agreement as required herein shall constitute a material modification and shall require a Service Plan Amendment. The Town Council may approve the Intergovernmental Agreement at the public hearing approving the Service Plan.

No intergovernmental agreements between the District and any other government are anticipated. Any intergovernmental agreement proposed regarding the subject matter of this Service Plan shall be subject to review and approval by the Town prior to its execution by the District.

XI. NON-COMPLIANCE WITH SERVICE PLAN

In the event it is determined that the District has undertaken any act or omission which violates the Service Plan or constitutes a material departure from the Service Plan, the Town may impose any of the sanctions set forth in Section 10.11.220 of the Town Code, including, but not to, affirmative injunctive relief to require the District to act in accordance with the provisions of this Service Plan. To the extent permitted by law, the District hereby waives the provisions of Section 32-1-207(3)(b), C.R.S., and agrees it will not rely on such provisions as a bar to the enforcement by the Town of any provisions of this Service Plan.

XII. CONCLUSION

It is submitted that this Service Plan for the District, as required by Section 32-1-203(2), C.R.S., and Section 10.11.180 of the Town Code, establishes that:

1. There is sufficient existing and projected need for organized service in the area to be serviced by the District;
2. The existing service in the area to be served by the District is inadequate for present and projected needs;
3. The District is capable of providing economical and sufficient service to the area within its proposed boundaries;
4. The area to be included in the District does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
5. Adequate service is not, and will not be, available to the area through the Town or County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;
6. The facility and service standards of the District are compatible with the facility and service standards of the Town;
7. The proposal is in substantial compliance the Town's Master Plan;
8. The proposal is in compliance with any duly adopted Town, regional or state long-range water quality management plan for the area;

9. The creation of the District is in the best interests of the area proposed to be served;

10. The creation of the District is in the best interests of the residents and future residents of the area proposed to be served;

11. The proposal is in substantial compliance with Chapter 10.11 of the Town Code; and

12. The proposal will not foster urban development that is remote or incapable of being integrated with existing urban areas, and will not place a burden on the Town or adjacent jurisdictions to provide urban services to residents of the District.

EXHIBIT A

Salisbury Heights Metropolitan District Boundaries

EXHIBIT A
SALISBURY HEIGHTS METROPOLITAN DISTRICT

LEGAL DESCRIPTION:

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN IN DOUGLAS COUNTY, COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID NORTHEAST QUARTER;

THENCE NORTH 89° 16' 25" EAST FOR 1868.27 FEET TO THE WESTERLY RIGHT OF WAY LINE OF MOTSENBOCKER ROAD;;

THENCE ALONG SAID RIGHT OF WAY LINE, NORTH 01° 05' 10" WEST FOR 901.17 FEET;

THENCE SOUTH 89° 16' 33" WEST FOR 1856.21 FEET TO THE WESTERLY LINE OF SAID NORTHEAST QUARTER;

THENCE ALONG SAID WESTERLY LINE, SOUTH 00° 19' 10" EAST FOR 901.25 FEET TO THE POINT OF BEGINNING.

CONTAINING 1,678,233 SQUARE FEET (38.527 ACRES) MORE OR LESS.



L. KELLEY STEVENSON

DATE

COLORADO P.L.S. NO. 38231
FOR AND ON BEHALF OF PEAK CIVIL CONSULTANTS, INC.
200 W. HAMPDEN AVENUE, SUITE 200
ENGLEWOOD, CO 80110

DATE: 09/20/13



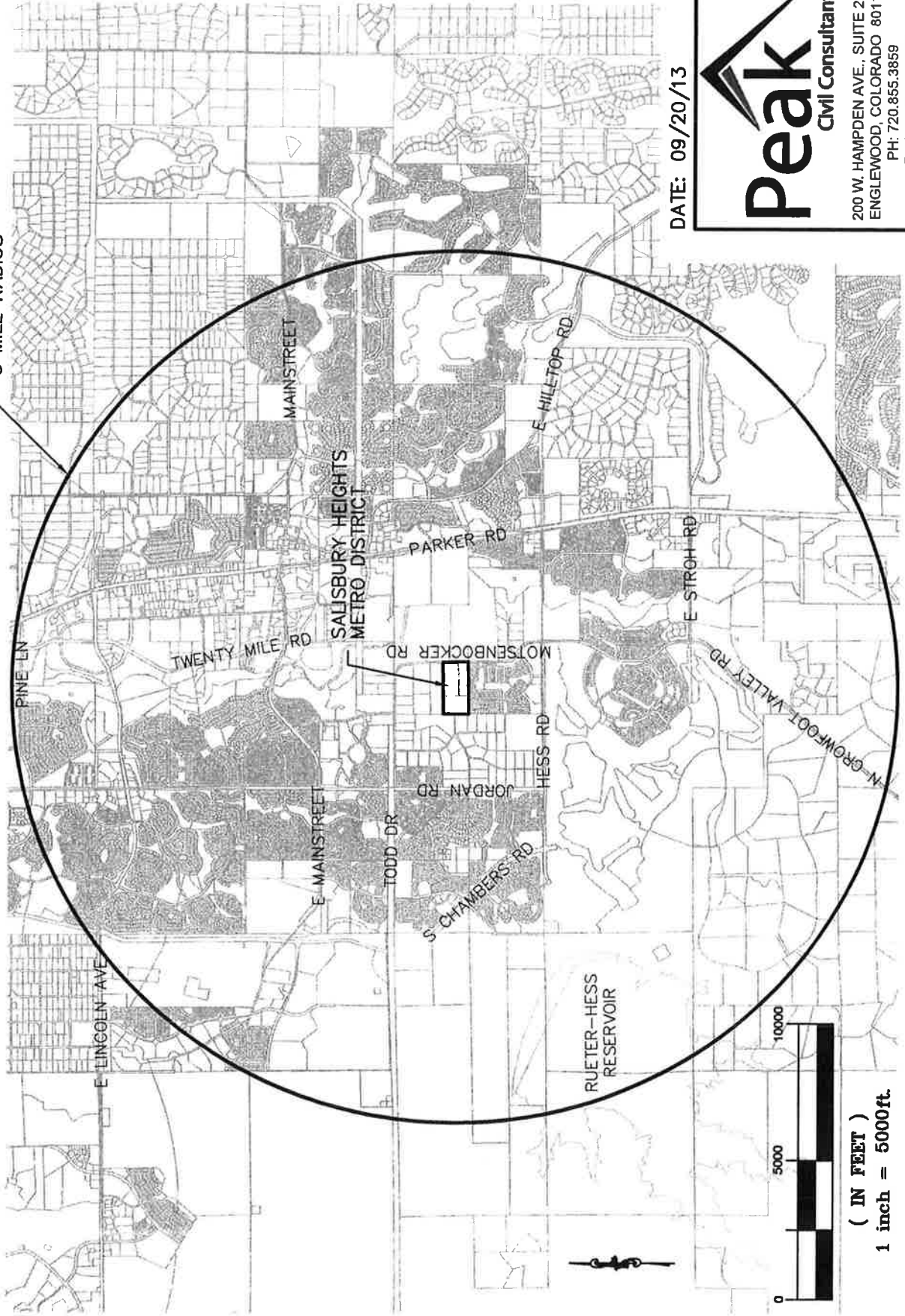
200 W. HAMPDEN AVE., SUITE 200
ENGLEWOOD, COLORADO 80110
PH: 720.855.3869
FAX: 720.828.8167
CONTACT: JEFF FRENCH

EXHIBIT B

Parker Vicinity Map

LOCAL VICINITY MAP

3 MILE RADIUS



DATE: 09/20/13



200 W. HAMPDEN AVE., SUITE 200
ENGLEWOOD, COLORADO 80110
PH: 720.855.3859
FAX: 720.528.8167
CONTACT: JEFF FRENCH



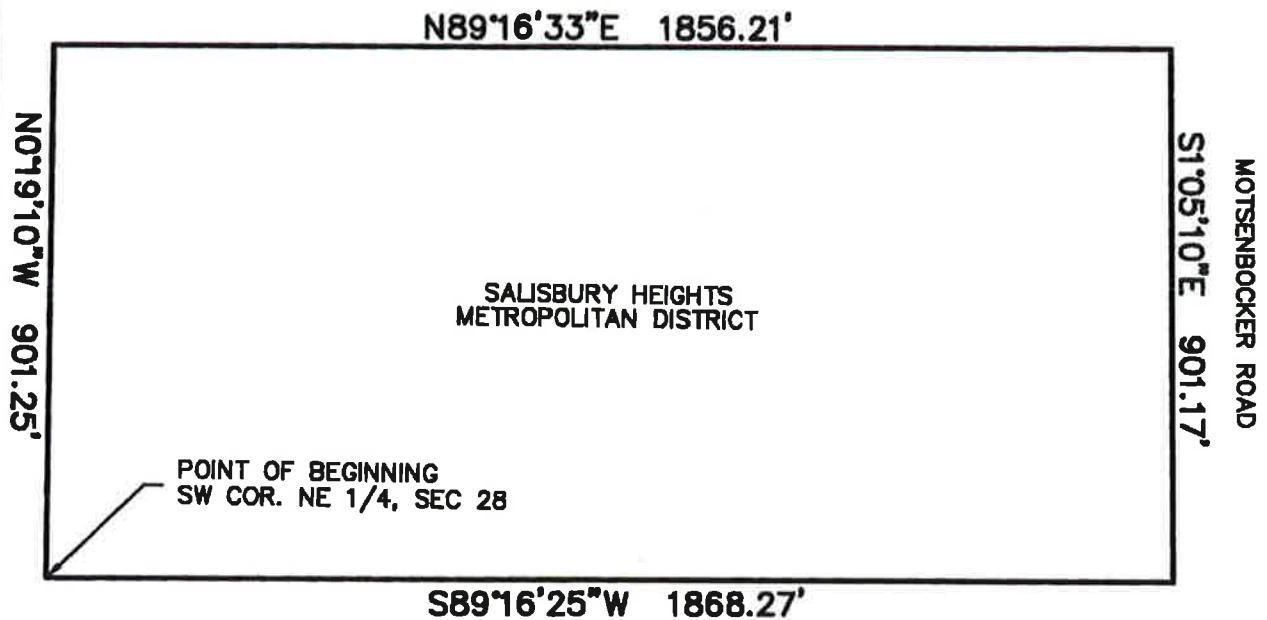
(IN FEET)
1 inch = 5000ft.

EXHIBIT C-1

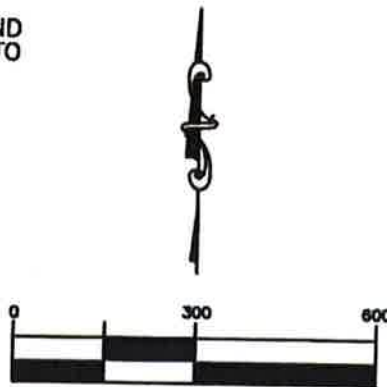
District Boundary Map

**EXHIBIT C-1
DISTRICT BOUNDARY EXHIBIT**

A PORTION OF THE NORTHEAST QUARTER OF
SECTION 28, TOWNSHIP 6 SOUTH, RANGE 66
WEST OF THE SIXTH PRINCIPAL MERIDIAN,
COUNTY OF DOUGLAS, STATE OF COLORADO.



NOTE: THIS EXHIBIT DOES NOT
REPRESENT A MONUMENTED LAND
SURVEY. IT IS INTENDED ONLY TO
DEPICT THE LEGAL DESCRIPTION
ON EXHIBIT "A"



(IN FEET)
1 inch = 300 ft.

DATE: 09/20/13



200 W. HAMPDEN AVE., SUITE 200
ENGLEWOOD, COLORADO 80110
PH: 720.858.3859
FAX: 720.528.8187
CONTACT: JEFF FRENCH

EXHIBIT C-2

Proof of Ownership and Consents for all Properties within the District

January 21, 2014

VIA HAND DELIVERY

Town of Parker
20120 E. Mainstreet
Parker, CO 80138-7334

Re: Proposed District – Salisbury Heights Metropolitan District (the “District”)

To Whom It May Concern:

CCC Holdings, LLC, a Colorado limited liability company, is the owner of the property described in Exhibit A hereto, which constitutes all of the property within the boundaries of the District. By way of this letter, CCC Holdings, LLC consents to the organization of the District.

Very truly yours,

CCC Holdings, LLC

J. B. Warnick

By: *John B. Warnick*

Its: *Authorized Signer of Land & Development*

STATE OF COLORADO)
) ss.
COUNTY OF ARAPAHOE)

Subscribed and sworn to before me by JOHN B. WARNICK of CCC Holdings, LLC on this 21st day of January, 2014.

Witness my hand and official seal.

My commission expires: DECEMBER 4, 2017

HEATHER A. STONES
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134075134
MY COMMISSION EXPIRES DECEMBER 4, 2017

Heather A. Stones
Notary Public

Page 2

**EXHIBIT A TO LETTER OF CONSENT
OWNERSHIP AND ENCUMBRANCE REPORT**



OWNERSHIP AND ENCUMBRANCE REPORT

Date: January 3, 2014
Attn: Elizabeth A. Cortese, Atty
Company: McGeady Sisneros, P.C.
Address: 450 E. 17th Ave. Suite 400
Phone: (303) 592-4380
Fax: (303) 592-4385
Email: ecortese@mcgeadysisneros.com

O & E Order Number: H0391034

Schedule No.: R0089578; R0089308; R0089316
Vesting: CCC Holdings, LLC, a Colorado limited liability company
Vesting Deed Info.: Bargain and Sale Deed Recorded May 16, 2013 at Reception No. 2013040630.
Property Address: vacant land , Parker, CO 80134
Legal Description:

See Exhibit A attached hereto and made a part hereof.

Encumbrances:

NONE

NOTE: This information is for your sole use and benefit and is furnished as an accommodation. The information has been taken from our tract indices, without reference to, or examination of, instruments which purport to affect the real property. The information is neither guaranteed nor certified, and is not an Abstract of Title, Opinion of Title, nor a Guarantee of Title, and our liability is limited to the amount of the fees.

Prepared By: Eric Stearns
Email: estearns@heritagetco.com
Phone: 303-692-6778

Exhibit A

**THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 6
SOUTH, RANGE
66 WEST OF THE SIXTH PRINCIPAL MERIDIAN IN DOUGLAS COUNTY,
COLORADO, MORE
PARTICULARLY DESCRIBED AS FOLLOWS:**

**BEGINNING AT THE SOUTHWEST CORNER OF SAID NORTHEAST QUARTER;
THENCE NORTH 89°16'25" EAST FOR 1868.27 FEET TO THE WESTERLY RIGHT
OF WAY LINE OF MOTSENBOCKER ROAD;**

**THENCE ALONG SAID RIGHT OF WAY LINE, NORTH 01°05'10" WEST FOR
901.17 FEET;**

**THENCE SOUTH 89°16'33" WEST FOR 1856.21 FEET TO THE WESTERLY LINE
OF SAID NORTHEAST QUARTER;**

**THENCE ALONG SAID WESTERLY LINE, SOUTH 00°19'10" EAST FOR 901.25
FEET TO THE
POINT OF BEGINNING.**

CONTAINING 1,678,233 SQUARE FEET (38.527 ACRES) MORE OR LESS.

When recorded, return to:
CCC Holdings, LLC
8390 E. Crescent Parkway, Ste. 650
Greenwood Village, CO 80111
Attn: Dale Francescon

BARGAIN AND SALE DEED

KNOW ALL BY THESE PRESENTS, that HIGH POINTE, INC., a Colorado corporation, whose address is 8390 E. Crescent Parkway, Suite 650, Greenwood Village, CO, 80111, for the consideration of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby sells, grants and conveys to CCC HOLDINGS, LLC, a Colorado limited liability company, whose address is 8390 E. Crescent Parkway, Suite 650, Greenwood Village, CO, 80111, the following real property with all of its appurtenances, in the County of Douglas and State of Colorado, to wit:

PARCEL 1:

A TRACT OF LAND IN THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS BEGINNING AT A POINT ON THE SOUTH LINE OF SAID NORTHEAST QUARTER AT ITS INTERSECTION WITH THE WEST LINE OF THE COUNTY ROAD, THENCE WEST ALONG SAID SOUTH LINE, A DISTANCE OF 1208.60 FEET TO A POINT THAT IS 660.00 FEET EAST OF THE SOUTHWEST CORNER OF SAID NORTHEAST QUARTER, THENCE NORTH ON AN ANGLE OF 89 DEGREES 37 MINUTES 20 SECONDS, A DISTANCE OF 360.50 FEET; THENCE EAST PARALLEL WITH THE SOUTH LINE OF SAID NORTHEAST QUARTER, A DISTANCE OF 1208.60 TO THE WEST LINE OF THE COUNTY ROAD, THENCE SOUTH ALONG SAID WEST LINE, A DISTANCE OF 360.50 FEET TO THE POINT OF BEGINNING, COUNTY OF DOUGLAS, STATE OF COLORADO.

PARCEL 2:

A TRACT OF LAND SITUATED IN THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS BEGINNING AT THE CENTER QUARTER CORNER OF SAID SECTION 28; THENCE NORTHERLY ALONG THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 28, A DISTANCE OF 901.25 FEET, THENCE EASTERLY PARALLEL WITH THE SOUTH LINE OF SAID NORTHEAST QUARTER A DISTANCE OF 647.92 FEET TO A POINT THAT IS 1208.60 FEET WEST OF THE WEST LINE OF THE COUNTY ROAD, THENCE SOUTHERLY ON AN ANGLE TO THE RIGHT OF 89 DEGREES 37 MINUTES 20 SECONDS A DISTANCE OF 901.25 FEET TO A POINT ON THE SOUTH LINE OF SAID NORTHEAST QUARTER, SAID POINT BEING 660.00 FEET EAST OF THE SOUTHWEST CORNER OF SAID NORTHEAST QUARTER, THENCE WESTERLY ALONG SAID SOUTH LINE, A DISTANCE OF 660.00 FEET TO THE POINT OF BEGINNING, COUNTY OF DOUGLAS, STATE OF COLORADO

PARCEL 3:

A TRACT OF LAND SITUATED IN THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE WEST LINE OF THE COUNTY ROAD THAT IS 360.50 FEET NORTH OF THE INTERSECTION OF THE SOUTH LINE OF SAID NORTHEAST QUARTER AND THE WEST LINE OF SAID COUNTY ROAD, SAID POINT BEING THE NORTHEAST CORNER OF TRACT DESCRIBED IN BOOK 192 AT PAGE 349, THENCE WESTERLY PARALLEL WITH THE SOUTH LINE OF SAID NORTHEAST QUARTER AND ALONG THE NORTH LINE OF TRACT DESCRIBED IN BOOK 192 AT PAGE 349 A DISTANCE OF 1208.60 FEET; THENCE NORTHERLY ON AN ANGLE TO THE RIGHT OF 89 DEGREES 37 MINUTES 20 SECONDS A DISTANCE OF 340.75 FEET; THENCE EASTERLY PARALLEL WITH THE SOUTH LINE OF SAID NORTHEAST QUARTER, A DISTANCE OF 1208.60 FEET TO THE WEST LINE OF THE COUNTY ROAD, THENCE SOUTHERLY ALONG SAID WEST LINE A DISTANCE OF 340.75 FEET TO THE POINT OF BEGINNING, COUNTY OF DOUGLAS, STATE OF COLORADO

Doc Fee: 

Signed as of this 7th day of May 2013.

HIGH POINTE, INC.,
a Colorado corporation,

By: _____



Dale Francescon, President

STATE OF COLORADO)
) ss.
COUNTY OF ARAPAHOE)

The foregoing instrument was acknowledged before me 7th of May, 2013 by Dale Francescon as President of HIGH POINTE, INC., a Colorado corporation.

Witness my hand and official seal.

My commission expires: 5-2-2016


Notary Public

AMY L. ANDERS
Notary Public
State of Colorado

My Commission Expires May 02, 2016

EXHIBIT D

Capital Plan and Engineer's Opinion of Probable Cost

SALISBURY HEIGHTS METROPOLITAN DISTRICT

DISTRICT ELIGIBLE BUDGET

23-Jan-14

NOTE: This estimate of Probable Construction Cost is made on the basis of the Engineer's experience and qualifications using the estimated quantities that are based upon a final design, pending approval, that represents the Engineer's best judgment as an experienced and qualified engineer familiar with the construction industry. This estimate has been prepared based upon Town of Parker construction standards.

Signature



Jeffery French, PE

Peak Civil Consultants

Prepared by:



200 W. HAMPDEN AVE., SUITE 200
ENGLEWOOD, COLORADO 80110
PH: 720.855.3859
FAX: 720.528.8187
CONTACT: JEFF FRENCH, P.E.

Date Submitted:

1/23/2014

Salisbury Heights Metropolitan District
INFRASTRUCTURE IMPROVEMENTS & BUDGET COST ESTIMATE
 Summary Sheet



Prepared For: Century Communities
 Prepared By: Peak Civil Consultants, Inc.
 Date : January 2014

Category	Description	Total	Comments
	No Lots/Units	130	
Hard Costs			
	Grading, Earthwork, Erosion Control	\$214,418	
	Streets	\$1,601,143	
	Sanitary Sewer	\$556,135	
	Water Main	\$480,658	
	Storm Sewer/Drainage	\$185,864	
	Parks Open Space Trails	\$136,023	
	Sleeving	\$15,600	Does not include Landscaping
	Onsite Hard Costs Sub-total	\$3,189,840	
	10% Contingency	\$318,984	
	Total On-site Hard Costs	\$3,508,824	
	Cost/Lot	\$26,991	
Off-site Hard Costs			
	Motsenbocker Road Improvements	\$116,736	Add One Lane
	Offsite Drainage	NA	
	Motsenbocker Road Water	\$24,923	
	Off-site Hard Costs Sub-total	\$141,659	
	10% Contingency	\$14,166	
	Total Off-site Hard Costs	\$155,825	
	Cost/Lot	\$1,199	
Soft Costs			
	Consulting Costs	\$627,640	Construction Consultants Only
	Total Costs	\$4,292,289	
	Cost/Lot	\$33,017.61	

Notes & Assumptions:

- 1) Estimate based upon Salisbury 70% Construction Plans Prepared by Peak Civil, March, 2013
- 2) Only construction related soft costs are included in this estimate. Excludes Civil Engineering and Design Survey Work, Traffic Engineering, and Landscape Design.
- 3) Unit costs are preliminary and based upon pricing used for previous budgetary estimates.
- 4) Estimate excludes dry utilities and irrigation.

Project: Salisbury Heights Metropolitan District
 Date: January, 2014
 Client: Century Communities

Prepared By: MU
 Job Number: 12.206



Single Family Residential Area

No. Lots = 130

Grading

Overall SF Area	Quantity	Unit	Unit Cost	Item Cost	Description
Cut	124,300	CY	\$1.50	\$186,450.00	See Note Below
Over Excavation					
Erosion & Sediment Control	1	LS	\$27,967.50	\$27,967.50	Assumed 16% of Earthwork Cost
Overall SF Area			Grading Subtotal	\$214,417.50	

Import unit costs may vary, the earthwork unit cost provided within this estimate has been generated from preliminary discussions with the developer and local earthmoving contractors.

Weymouth Avenue /Crofton Drive	Quantity	Unit	Unit Cost	Item Cost	Description
5' Detached Concrete Walk	2,960	LF	\$20.00	\$59,200.00	
Walk Subgrade Prep.	14,800	SF	\$1.65	\$24,420.00	
2.9' Mountable Curb and Gutter	2,860	LF	\$14.00	\$40,040.00	
Curb Subgrade Prep.	7,150	SF	\$1.65	\$11,797.50	
Asphalt Paving	30,097	SY-INCH	\$4.00	\$120,388.67	Assumed 8" Depth
Asphalt Subgrade Prep.	30,097	SY	\$2.40	\$72,232.00	
Corner Handicap Ramp	6	EA	\$2,000.00	\$12,000.00	
Midblock Handicap Ramp	4	EA	\$1,075.00	\$4,300.00	
Concrete Crossspan	1,130	SF	\$10.00	\$11,300.00	
Street Lights	4	EA	\$1,000.00	\$4,000.00	
Street Signs	3	EA	\$500.00	\$1,500.00	

Weymouth Avenue /Crofton Drive Streets Subtotal \$361,176.17

Chipper Lane	Quantity	Unit	Unit Cost	Item Cost	Description
5' Detached Concrete Walk	2,216	LF	\$20.00	\$44,320.00	
Walk Subgrade Prep.	11,080	SF	\$1.65	\$18,282.00	
2.9' Mountable Curb and Gutter	2,216	LF	\$14.00	\$31,024.00	
Curb Subgrade Prep.	5,540	SF	\$1.65	\$9,141.00	
Asphalt Paving	25,131	SY-inch	\$4.00	\$100,525.33	Assumed 8" Depth
Asphalt Subgrade Prep.	25,131	SY	\$2.40	\$60,315.20	
Corner Handicap Ramp	2	EA	\$2,000.00	\$4,000.00	
Midblock Handicap Ramp	0	EA	\$1,075.00	\$0.00	
Concrete Crossspan	615	SF	\$10.00	\$6,150.00	
Street Lights	2	EA	\$1,000.00	\$2,000.00	
Street Signs	2	EA	\$500.00	\$1,000.00	

Chipper Lane Streets Subtotal \$276,757.53

Churchfield Street	Quantity	Unit	Unit Cost	Item Cost	Description
5' Detached Concrete Walk	1,082	LF	\$20.00	\$21,640.00	
Walk Subgrade Prep.	5,410	SF	\$1.65	\$8,926.50	
2.9' Mountable Curb and Gutter	1,082	LF	\$14.00	\$15,148.00	
Curb Subgrade Prep.	2,705	SF	\$1.65	\$4,463.25	
Asphalt Paving	10,820	SY-inch	\$4.00	\$43,280.00	Assumed 8" Depth
Asphalt Subgrade Prep.	10,820	SY	\$2.40	\$25,968.00	
Corner Handicap Ramp	0	EA	\$2,000.00	\$0.00	
Midblock Handicap Ramp	0	EA	\$1,075.00	\$0.00	
Concrete Crossspan	0	SF	\$10.00	\$0.00	
Street Lights	1	EA	\$1,000.00	\$1,000.00	
Street Signs	2	EA	\$500.00	\$1,000.00	

Churchfield Street Streets Subtotal \$121,425.75

Project: Salisbury Heights Metropolitan District
 Date: January, 2014
 Client: Century Communities

Prepared By: MU
 Job Number: 12.206



Weymouth	Quantity	Unit	Unit Cost	Item Cost	Description
5' Detached Concrete Walk	1,812	LF	\$20.00	\$36,240.00	
Walk Subgrade Prep.	9,060	SF	\$1.65	\$14,949.00	
2.9' Mountable Curb and Gutter	1,812	LF	\$14.00	\$25,368.00	
Curb Subgrade Prep.	4,530	SF	\$1.65	\$7,474.50	
Asphalt Paving	20,151	SY-inch	\$4.00	\$80,602.67	Assumed 8" Depth
Asphalt Subgrade Prep.	20,151	SY	\$2.40	\$48,361.60	
Corner Handicap Ramp	4	EA	\$2,000.00	\$8,000.00	
Midblock Handicap Ramp	1	EA	\$1,075.00	\$1,075.00	
Concrete Crosspan	1,260	SF	\$10.00	\$12,600.00	
Street Lights	3	EA	\$1,000.00	\$3,000.00	
Street Signs	3	EA	\$500.00	\$1,500.00	

Weymouth Streets Subtotal **\$239,170.77**

Parade Drive	Quantity	Unit	Unit Cost	Item Cost	Description
5' Detached Concrete Walk	200	LF	\$20.00	\$4,000.00	
Walk Subgrade Prep.	1,000	SF	\$1.65	\$1,650.00	
2.9' Mountable Curb and Gutter	200	LF	\$14.00	\$2,800.00	
Curb Subgrade Prep.	500	SF	\$1.65	\$825.00	
Asphalt Paving	2,000	SY-inch	\$4.00	\$8,000.00	Assumed 8" Depth
Asphalt Subgrade Prep.	2,000	SY	\$2.40	\$4,800.00	
Corner Handicap Ramp	4	EA	\$2,000.00	\$8,000.00	
Midblock Handicap Ramp	1	EA	\$1,075.00	\$1,075.00	
Concrete Crosspan	0	SF	\$10.00	\$0.00	
Street Lights	0	EA	\$1,000.00	\$0.00	
Street Signs	2	EA	\$500.00	\$1,000.00	

Parade Drive Streets Subtotal **\$32,150.00**

Edenfeld Drive	Quantity	Unit	Unit Cost	Item Cost	Description
5' Detached Concrete Walk	1,200	LF	\$20.00	\$24,000.00	
Walk Subgrade Prep.	6,000	SF	\$1.65	\$9,900.00	
2.9' Mountable Curb and Gutter	1,200	LF	\$14.00	\$16,800.00	
Curb Subgrade Prep.	3,000	SF	\$1.65	\$4,950.00	
Asphalt Paving	16,933	SY-inch	\$4.00	\$67,733.33	Assumed 8" Depth
Asphalt Subgrade Prep.	16,933	SY	\$2.40	\$40,640.00	
Corner Handicap Ramp	2	EA	\$2,000.00	\$4,000.00	
Midblock Handicap Ramp	1	EA	\$1,075.00	\$1,075.00	
Concrete Crosspan	0	SF	\$10.00	\$0.00	
Street Lights	0	EA	\$1,000.00	\$0.00	
Street Signs	2	EA	\$500.00	\$1,000.00	

Edenfeld Drive Streets Subtotal **\$170,098.33**

Project: Salisbury Heights Metropolitan District
Date: January, 2014
Client: Century Communities

Prepared By: MU
Job Number: 12.206



Longland Parkway	Quantity	Unit	Unit Cost	Item Cost	Description
5' Detached Concrete Walk	316	LF	\$20.00	\$6,320.00	
Walk Subgrade Prep.	1,580	SF	\$1.65	\$2,607.00	
1.5' Median Curb	246	LF	\$14.00	\$3,444.00	
Curb Subgrade Prep.	4,319	SF	\$1.65	\$7,126.35	
Curb Subgrade Prep.	615	SF	\$1.65	\$1,014.75	
Asphalt Paving	3,160	SY-INCH	\$4.00	\$12,640.00	Assumed 8" Depth
Asphalt Subgrade Prep.	3,160	SY	\$2.40	\$7,584.00	
Corner Handicap Ramp	2	EA	\$2,000.00	\$4,000.00	
Midblock Handicap Ramp	1	EA	\$1,075.00	\$1,075.00	
Concrete Crosspan	0	SF	\$10.00	\$0.00	
Street Lights	0	EA	\$1,000.00	\$0.00	
Street Signs	2	EA	\$500.00	\$1,000.00	
Medain Cover	1,300	SF	\$4.00	\$5,200.00	

Longland Parkway Streets Subtotal \$52,011.10

Dodworth Street	Quantity	Unit	Unit Cost	Item Cost	Description
5' Detached Concrete Walk	1,102	LF	\$20.00	\$22,040.00	
Walk Subgrade Prep.	5,510	SF	\$1.65	\$9,091.50	
2.9' Mountable Curb and Gutter	1,102	LF	\$14.00	\$15,428.00	
Curb Subgrade Prep.	2,755	SF	\$1.65	\$4,545.75	
Asphalt Paving	14,729	SY-Inch	\$4.00	\$58,917.33	Assumed 8" Depth
Asphalt Subgrade Prep.	14,729	SY	\$2.40	\$35,350.40	
Corner Handicap Ramp	0	EA	\$2,000.00	\$0.00	
Midblock Handicap Ramp	2	EA	\$1,075.00	\$2,150.00	
Concrete Crosspan	0	SF	\$10.00	\$0.00	
Street Lights	0	EA	\$1,000.00	\$0.00	
Street Signs	2	EA	\$500.00	\$1,000.00	

Dodworth Street Streets Subtotal \$148,522.98

Telford Street	Quantity	Unit	Unit Cost	Item Cost	Description
5' Detached Concrete Walk	1,804	LF	\$20.00	\$32,080.00	
Walk Subgrade Prep.	8,020	SF	\$1.65	\$13,233.00	
2.9' Mountable Curb and Gutter	1,604	LF	\$14.00	\$22,456.00	
Curb Subgrade Prep.	4,010	SF	\$1.65	\$6,616.50	
Asphalt Paving	17,719	SY-Inch	\$4.00	\$70,874.67	Assumed 8" Depth
Asphalt Subgrade Prep.	17,719	SY	\$2.40	\$42,524.80	
Corner Handicap Ramp	2	EA	\$2,000.00	\$4,000.00	
Midblock Handicap Ramp	1	EA	\$1,075.00	\$1,075.00	
Concrete Crosspan	647	SF	\$10.00	\$6,470.00	
Street Lights	0	EA	\$1,000.00	\$0.00	
Street Signs	1	EA	\$500.00	\$500.00	

Telford Street Streets Subtotal \$199,829.97

Total Streets \$1,601,142.60

Project: Salisbury Heights Metropolitan District
 Date: January, 2014
 Client: Century Communities

Prepared By: MU
 Job Number: 12.206



Sanitary Sewer

<u>Weymouth Avenue /Crofton Drive</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Item Cost</u>	<u>Description</u>
8" Sanitary Sewer Main	1,335	LF	\$31.00	\$41,385.00	
4" Underdrain (in SS Trench)	1,335	LF	\$8.60	\$11,481.00	
Underdrain Cleanouts	8	EA	\$264.00	\$2,112.00	At MHs and bends
8" Sanitary Plug	0	EA	\$115.00	\$0.00	
Connect to Existing	0	EA	\$4,024.00	\$0.00	
Sanitary Service Lines	24	EA	\$1,050.00	\$25,200.00	
Underdrain Service Lines	24	EA	\$747.00	\$17,928.00	In same trench as SS service.
4' Sanitary Sewer Manhole	8	EA	\$2,575.00	<u>\$20,600.00</u>	

Weymouth Avenue /Crofton Drive Sewer Subtotal \$118,706.00

<u>Chipper Lane</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Item Cost</u>	<u>Description</u>
8" Sanitary Sewer Main	1,014	LF	\$31.00	\$31,434.00	
4" Underdrain (in SS Trench)	1,014	LF	\$8.60	\$8,720.40	
Underdrain Cleanouts	6	EA	\$264.00	\$1,584.00	At MHs and bends
Sanitary Service Lines	23	EA	\$1,050.00	\$24,150.00	
Underdrain Service Lines	23	EA	\$747.00	\$17,181.00	In same trench as SS service.
4' Sanitary Sewer Manhole	6	EA	\$2,575.00	<u>\$15,460.00</u>	

Chipper Lane Sewer Subtotal \$98,519.40

<u>Churchfield Street</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Item Cost</u>	<u>Description</u>
8" Sanitary Sewer Main	517	LF	\$31.00	\$16,027.00	
4" Underdrain (in SS Trench)	517	LF	\$8.60	\$4,446.20	
Underdrain Cleanouts	2	EA	\$264.00	\$528.00	At MHs and bends
Sanitary Service Lines	17	EA	\$1,050.00	\$17,850.00	
Underdrain Service Lines	17	EA	\$747.00	\$12,699.00	In same trench as SS service.
4' Sanitary Sewer Manhole	2	EA	\$2,575.00	<u>\$5,150.00</u>	

Churchfield Street Sewer Subtotal \$56,700.20

<u>Weymouth</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Item Cost</u>	<u>Description</u>
8" Sanitary Sewer Main	800	LF	\$31.00	\$24,800.00	
4" Underdrain (in SS Trench)	1,435	LF	\$8.60	\$12,341.00	
Underdrain Cleanouts	5	EA	\$264.00	\$1,320.00	At MHs and bends
Sanitary Service Lines	17	EA	\$1,050.00	\$17,850.00	
Underdrain Service Lines	17	EA	\$747.00	\$12,699.00	In same trench as SS service.
4' Sanitary Sewer Manhole	5	EA	\$2,575.00	<u>\$12,875.00</u>	

Weymouth Sewer Subtotal \$81,885.00

Parade Drive Description
 No Sanitary Sewer in Parade Drive

<u>Edenfeld Drive</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Item Cost</u>	<u>Description</u>
8" Sanitary Sewer Main	610	LF	\$31.00	\$18,910.00	
4" Underdrain (in SS Trench)	610	LF	\$8.60	\$5,246.00	
Underdrain Cleanouts	3	EA	\$264.00	\$792.00	At MHs and bends
Sanitary Service Lines	16	EA	\$1,050.00	\$16,800.00	
Underdrain Service Lines	16	EA	\$747.00	\$11,952.00	In same trench as SS service.
4' Sanitary Sewer Manhole	3	EA	\$2,575.00	<u>\$7,725.00</u>	

Edenfeld Drive Sewer Subtotal \$61,425.00

Project: Salisbury Heights Metropolitan District
 Date: January, 2014
 Client: Century Communities

Prepared By: MU
 Job Number: 12.208



Longland Parkway	Quantity	Unit	Unit Cost	Item Cost	Description
8" Sanitary Sewer Main	242	LF	\$31.00	\$7,502.00	
Connect to Existing	1	EA	\$4,024.00	\$4,024.00	
Underdrain Cleanouts	0	EA	\$284.00	\$0.00	At MHs and bends
Sanitary Service Lines	0	EA	\$1,050.00	\$0.00	
Underdrain Service Lines	0	EA	\$747.00	\$0.00	In same trench as SS service.
4' Sanitary Sewer Manhole	0	EA	\$2,575.00	\$0.00	
Trench Drain	130	LF	\$8.60	\$1,118.00	

Longland Parkway Sewer Subtotal \$12,644.00

Dodworth Street	Quantity	Unit	Unit Cost	Item Cost	Description
8" Sanitary Sewer Main	632	LF	\$31.00	\$19,592.00	
4" Underdrain (in SS Trench)	632	LF	\$8.60	\$5,435.20	
Underdrain Cleanouts	1	EA	\$264.00	\$264.00	At MHs and bends
Sanitary Service Lines	16	EA	\$1,050.00	\$16,800.00	
Underdrain Service Lines	16	EA	\$747.00	\$11,952.00	In same trench as SS service.
4' Sanitary Sewer Manhole	1	EA	\$2,575.00	\$2,575.00	

Dodworth Street Sewer Subtotal \$56,618.20

Telford Street	Quantity	Unit	Unit Cost	Item Cost	Description
8" Sanitary Sewer Main	772	LF	\$31.00	\$23,932.00	
4" Underdrain (in SS Trench)	772	LF	\$8.60	\$6,639.20	
Underdrain Cleanouts	3	EA	\$264.00	\$792.00	At MHs and bends
Sanitary Service Lines	17	EA	\$1,050.00	\$17,850.00	
Underdrain Service Lines	17	EA	\$747.00	\$12,699.00	In same trench as SS service.
4' Sanitary Sewer Manhole	3	EA	\$2,575.00	\$7,725.00	

Telford Street Sewer Subtotal \$69,637.20

Total Sanitary Sewer \$556,135.00

Water

Weymouth Avenue /Crofton Drive	Quantity	Unit	Unit Cost	Item Cost	Description
8" W/L Main	1,358	LF	\$26.00	\$35,308.00	
8"x8" Tee w/TB	3	EA	\$550.00	\$1,650.00	
8"x8" Cross	4	EA	\$657.00	\$2,628.00	
8" Gate Valve	4	EA	\$1,750.00	\$7,000.00	
8" Water Plug w/ B.O. Assembly	1	EA	\$1,665.00	\$1,665.00	
8" Bend	8	EA	\$390.00	\$3,120.00	
Fire Hydrant Assembly	1	EA	\$5,544.00	\$5,544.00	
3/4" Water Service Line	24	EA	\$1,504.00	\$36,096.00	
Raw Water Line Relocation	1	LS	\$15,000.00	\$15,000.00	

Weymouth Avenue /Crofton Drive Water Subtotal \$108,011.00

Chipper Lane	Quantity	Unit	Unit Cost	Item Cost	Description
8" W/L Main	1,152	LF	\$26.00	\$29,952.00	
8"x8" Tee w/TB	2	EA	\$550.00	\$1,100.00	
8" Gate Valve	2	EA	\$1,750.00	\$3,500.00	
8" Water Plug w/ B.O. Assembly	0	EA	\$1,665.00	\$0.00	
3/4" Water Service Lines	23	EA	\$1,504.00	\$34,592.00	
8" Bend	2	EA	\$393.00	\$786.00	
Fire Hydrant Assembly	1	EA	\$5,544.00	\$5,544.00	



Project: Salisbury Heights Metropolitan District
 Date: January, 2014
 Client: Century Communities

Prepared By: MU
 Job Number: 12.206

Chipper Lane Water Subtotal \$75,474.00

Churchfield Street	Quantity	Unit	Unit Cost	Item Cost	Description
8" W/L Main	819	LF	\$26.00	\$16,094.00	
8"x8" Tee w/TB	4	EA	\$550.00	\$2,200.00	
8" Gate Valve	4	EA	\$1,750.00	\$7,000.00	
8" Water Plug w/ B.O. Assembly	0	EA	\$1,665.00	\$0.00	
3/4" Water Service Lines	17	EA	\$1,504.00	\$25,568.00	
8" Bend	1	EA	\$393.00	\$393.00	
Fire Hydrant Assembly	2	EA	\$5,544.00	\$11,088.00	

Churchfield Street Water Subtotal \$62,343.00

Weymouth	Quantity	Unit	Unit Cost	Item Cost	Description
8" W/L Main	840	LF	\$26.00	\$24,440.00	
8"x8" Tee w/TB	1	EA	\$550.00	\$550.00	
8" Gate Valve	2	EA	\$1,750.00	\$3,500.00	
8" Water Plug w/ B.O. Assembly	0	EA	\$1,665.00	\$0.00	
3/4" Water Service Lines	17	EA	\$1,504.00	\$25,568.00	
8" Bend	3	EA	\$393.00	\$1,179.00	
Fire Hydrant Assembly	1	EA	\$5,544.00	\$5,544.00	
Raw Water Line Relocation	1	LS	\$15,000.00	\$15,000.00	

Weymouth Water Subtotal \$60,781.00

Parade Drive	Description
	No water in Parade Drive

Edenfeld Drive	Quantity	Unit	Unit Cost	Item Cost	Description
8" W/L Main	623	LF	\$26.00	\$16,198.00	
8"x8" Tee w/TB	1	EA	\$550.00	\$550.00	
8" Gate Valve	1	EA	\$1,750.00	\$1,750.00	
8" Water Plug w/ B.O. Assembly	0	EA	\$1,665.00	\$0.00	
3/4" Water Service Lines	16	EA	\$1,504.00	\$24,064.00	
8" Bend	2	EA	\$393.00	\$786.00	
Fire Hydrant Assembly	1	EA	\$5,544.00	\$5,544.00	

Edenfeld Drive Water Subtotal \$48,892.00

Longland Parkway	Quantity	Unit	Unit Cost	Item Cost	Description
8" W/L Main	200	LF	\$26.00	\$5,200.00	
8"x8" Tee w/TB	0	EA	\$550.00	\$0.00	
8" Gate Valve	2	EA	\$1,750.00	\$3,500.00	
8" Water Plug w/ B.O. Assembly	0	EA	\$1,665.00	\$0.00	
3/4" Water Service Lines	0	EA	\$1,504.00	\$0.00	
8" Bend	0	EA	\$393.00	\$0.00	
Connect to Existing	1	EA	\$4,024.00	\$4,024.00	
Fire Hydrant Assembly	0	EA	\$5,544.00	\$0.00	

Longland Parkway Water Subtotal \$12,724.00

Dodworth Street	Quantity	Unit	Unit Cost	Item Cost	Description
8" W/L Main	631	LF	\$26.00	\$16,406.00	
8"x8" Tee w/TB	0	EA	\$550.00	\$0.00	
8" Gate Valve	2	EA	\$1,750.00	\$3,500.00	
8" Water Plug w/ B.O. Assembly	0	EA	\$1,665.00	\$0.00	
3/4" Water Service Lines	16	EA	\$1,504.00	\$24,064.00	
8" Bend	0	EA	\$393.00	\$0.00	
Fire Hydrant Assembly	2	EA	\$5,544.00	\$11,088.00	

Dodworth Street Water Subtotal \$55,058.00

Project: Saliabury Heights Metropolitan District
 Date: January, 2014
 Client: Century Communities

Prepared By: MU
 Job Number: 12.206



Telford Street	Quantity	Unit	Unit Cost	Item Cost	Description
8" W/L Main	809	LF	\$26.00	\$21,034.00	
8"x8" Tee w/TB	1	EA	\$550.00	\$550.00	
8" Gate Valve	2	EA	\$1,750.00	\$3,500.00	
8" Water Plug w/ B.O. Assembly	0	EA	\$1,665.00	\$0.00	
3/4" Water Service Lines	17	EA	\$1,504.00	\$25,568.00	
8" Bend	3	EA	\$393.00	\$1,179.00	
Fire Hydrant Assembly	1	EA	\$5,544.00	\$5,544.00	

Telford Street Water Subtotal **\$57,375.00**

Total Water **\$480,658.00**

Storm Sewer & Drainage

Storm Sewer	Quantity	Unit	Unit Cost	Item Cost	Description
18" RCP Storm	499	LF	\$42.00	\$20,958.00	
24" RCP Storm	66	LF	\$57.00	\$3,762.00	
30" RCP Storm	798	LF	\$71.00	\$56,658.00	
36" RCP Storm	0	LF	\$91.00	\$0.00	
42" RCP Storm	0	LF	\$113.00	\$0.00	
48" RCP Storm	0	LF	\$135.00	\$0.00	
18" FES	2	EA	\$750.00	\$1,500.00	
24" FES	1	EA	\$750.00	\$750.00	
30" FES	3	EA	\$750.00	\$2,250.00	
42" FES	0	EA	\$950.00	\$0.00	
5' Storm Sewer Manhole	3	EA	\$2,200.00	\$6,600.00	
6' Storm Sewer Manhole	0	EA	\$2,600.00	\$0.00	
5' Type R Inlet	0	EA	\$6,100.00	\$0.00	
10' Type R Inlet	2	EA	\$6,500.00	\$13,000.00	
15' Type R Inlet	4	EA	\$9,900.00	\$39,600.00	
20' Type R Inlet	0	EA	\$1,330.00	\$0.00	
Low Tallwater Basin	0	EA	\$1,600.00	\$0.00	Pipe Outlets

Pond A

Pond Fine Grading	1	LS	\$5,000.00	\$5,000.00	
Outlet Structure	1	EA	\$5,000.00	\$5,000.00	Including WQ Plate, grate, etc.
Forebay	1	EA	\$3,500.00	\$3,500.00	
Micropool	1	EA	\$3,500.00	\$3,500.00	
Concrete Pan	64	LF	\$12.00	\$768.00	Pond Bottom
Type M Riprap	50	CY	\$75.00	\$3,750.00	Pond Overflow

Pond B

Pond Fine Grading	1	LS	\$5,000.00	\$5,000.00	
Outlet Structure	1	EA	\$5,000.00	\$5,000.00	Including WQ Plate, grate, etc.
Forebay	1	EA	\$3,500.00	\$3,500.00	
Micropool	1	EA	\$3,500.00	\$3,500.00	
Concrete Pan	64	LF	\$12.00	\$768.00	Pond Bottom
Type M Riprap	20	CY	\$75.00	\$1,500.00	Pond Overflow

Total Storm Sewer/Drainage **\$185,864.00**

Project: Salisbury Heights Metropolitan District
 Date: January, 2014
 Client: Century Communities

Prepared By: MU
 Job Number: 12.206



Park, Open Space & Trails

Tract A					
	Quantity	Unit	Unit Cost	Item Cost	Description
5' Detached Concrete Walk	0	LF	\$20.00	\$0.00	
Walk Subgrade Prep.	0	SF	\$1.65	\$0.00	
Retaining Wall	840	FF	\$25.00	\$21,000.00	
Tract A			Subtotal	\$21,000.00	

Tract E					
	Quantity	Unit	Unit Cost	Item Cost	Description
5' Detached Concrete Walk	20	LF	\$20.00	\$400.00	
Walk Subgrade Prep.	100	SF	\$1.65	\$165.00	
Retaining Wall					
Tract E			Subtotal	\$565.00	

Tract F					
	Quantity	Unit	Unit Cost	Item Cost	Description
5' Detached Concrete Walk	2,381	LF	\$20.00	\$47,620.00	
Walk Subgrade Prep.	11,905	SF	\$1.65	\$19,643.25	
Retaining Wall	624	LF	\$25.00	\$15,600.00	
Tract F			Subtotal	\$82,863.25	

Tract G					
	Quantity	Unit	Unit Cost	Item Cost	Description
5' Detached Concrete Walk	160	LF	\$20.00	\$3,200.00	
Walk Subgrade Prep.	800	SF	\$1.65	\$1,320.00	
Retaining Wall	0	LF	\$25.00	\$0.00	
Tract G			Subtotal	\$4,520.00	

Addtl Retaining wall	1,083	LF	\$25.00	\$27,075.00	
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Total Park/Open Space Trails \$138,023.25

Does not include Landscape or Irrigation costs

On-site Hard Costs Total					
					Description
				\$3,174,240.35	No Contingency

Single Family Residential Area: Soft Costs
 Consulting / Soft Costs⁽¹⁾

Consulting					
	Quantity	Unit	Unit Cost	Item Cost	Description
Construction Staking	130	Lot	\$375.00	\$48,750.00	
Soils/Pavement Report/Materials Testing	130	Lot	\$250.00	\$32,500.00	
Construction Management	130	Lot	\$350.00	\$45,500.00	

Consulting Total \$126,750.00

(1) Construction Soft Costs Only. Excludes Civil Engineering and Design Survey Work, Traffic Engineering, and Landscape Design

Project: Salisbury Heights Metropolitan District
 Date: January, 2014
 Client: Century Communities

Prepared By: MU
 Job Number: 12.206



Offsite Area

Motsenbocker Road	Quantity	Unit	Unit Cost	Item Cost	Description
5' Detached Concrete Walk	817	LF	\$27.00	\$22,059.00	Collector residential, no parking
Walk Subgrade Prep.	4,902	SF	\$1.65	\$8,088.30	
2.5' Vertical curb	965	LF	\$11.12	\$10,730.80	Assumed 8" Depth
Curb Subgrade Prep.	2,413	SF	\$1.65	\$3,980.63	
Asphalt Paving	10,293	SY	\$4.00	\$41,173.33	
Asphalt Subgrade Prep.	10,293	SY	\$2.40	\$24,704.00	
Ramp	0	EA	\$1,175.00	\$0.00	
Street Lights	1	EA	\$1,000.00	\$1,000.00	
Street Signs	4	EA	\$500.00	\$2,000.00	
Striping	1	LS	\$3,000.00	\$3,000.00	
Motsenbocker Road			Streets Subtotal	\$116,736.06	
			Total Streets	\$116,736.06	

Water

Motsenbocker Road	Quantity	Unit	Unit Cost	Item Cost	Description
8" W/L Main	584	LF	\$26.00	\$15,184.00	
8"x8" Tee w/TB	1	EA	\$550.00	\$550.00	
8" Gate Valve	2	EA	\$1,750.00	\$3,500.00	
8" Water Plug w/ B.O. Assembly	1	EA	\$1,665.00	\$1,665.00	
3/4" Water Service Lines	0	EA	\$1,504.00	\$0.00	
8" Bend	0	EA	\$393.00	\$0.00	
Connect to Existing	1	EA	\$4,024.00	\$4,024.00	
Fire Hydrant Assembly	0	EA	\$5,544.00	\$0.00	
Motsenbocker Road			Water Subtotal	\$24,923.00	
			Total Water	\$24,923.00	

Sleeving

Sleeving	Quantity	Unit	Unit Cost	Item Cost	Description
4" PVC Sleeve	1	LS	\$15,600.00	\$15,600.00	
			Sleeving Improv. Total	\$15,600.00	
			Off-site Hard Costs Total	\$157,264.06	No Contingency

Single Family Residential Area: Soft Costs
Consulting / Soft Costs⁽¹⁾

Consulting	Quantity	Unit	Unit Cost	Item Cost	Description
Construction Staking	130	LS	\$290.00	\$37,700.00	
Soils/Pavement Report/Materials Testing	130	LS	\$2,338.00	\$303,940.00	
Construction Management/Mobilization	130	LS	\$2,200.00	\$286,000.00	
			Consulting Total	\$627,640.00	

(1) Construction Soft Costs Only. Excludes Civil Engineering and Design Survey Work, Traffic Engineering, and Landscape Design

SALISBURY HEIGHTS METROPOLITAN DISTRICT

DISTRICT ELIGIBLE BUDGET

23-Jan-14

NOTE: This estimate of Probable Construction Cost for the Motsenbocker Road future median improvements is made on the basis of the Engineer's experience and qualifications using the estimated quantities that are based upon a final design, pending approval, that represents the Engineer's best judgment as an experienced and qualified engineer familiar with the construction industry. This estimate has been prepared based upon Town of Parker construction standards.

Signature



Jeffery French, P.E.

Peak Civil Consultants

Prepared by:



200 W. HAMPDEN AVE., SUITE 200
ENGLEWOOD, COLORADO 80110
PH: 720.855.3859
FAX: 720.528.8167
CONTACT: JEFF FRENCH, P.E.

Date Submitted:

1/23/2014

Project: Salisbury Heights
 Date: January 23, 2014
 Client: Century Communities

Prepared By: DFA
 Job Number: 12.208



Future Raised Median Cost Estimate

No. Lots = 130

Molsenbocker Road	Quantity	Unit	Unit Cost	Item Cost	Description
1.5' Vertical Curb and Gutter with 1' Splash Guard	800	LF	\$12.00	\$9,600.00	
Curb Subgrade Prep.	2,000	SF	\$1.85	\$3,300.00	
Median Cover	2,700	SF	\$3.00	\$8,100.00	Assumed 8" Depth
Total Future Median Cost Estimate for Molsenbocker Road				\$21,000.00	

Henry Design Group, Inc.
 Client: Century Communities
 Project: Salisbury

Job No:
 By: AY
 Date: 02/21/14

OPINION OF COST

LANDSCAPE IMPROVEMENTS

No.	Item (* See Description)	Quantity	Size	Unit	Unit Cost	Total Cost
RIGHT OF WAY - TREE LAWN (Includes Molsenbocker Road ROW)						
1	DECIDUOUS SHADE TREE - STREET TREE	250	2.5" cal	EA	\$530.00	\$132,500
2	ORNAMENTAL TREE - STREET TREE	41	2" cal	EA	\$450.00	\$18,450
3	EVERGREEN TREE	0	6' ht	EA	\$450.00	\$0
4	DECIDUOUS SHRUB	42	5 gal	EA	\$25.00	\$1,050
5	EVERGREEN SHRUB	39	5 gal	EA	\$35.00	\$1,365
6	ORNAMENTAL GRASSES	0	1 gal	EA	\$16.00	\$0
7	PERENNIALS	170	1 gal	EA	\$12.00	\$2,040
8	SOD WITH PREP	94,547		SF	\$0.85	\$80,365
9	NATIVE SEED WITH PREP	0		SF	\$0.35	\$0
10	PLANTING BED PREP	1,320		SF	\$0.35	\$462
11	DRIP IRRIGATION - SHRUBS	1,320		SF	\$0.35	\$462
12	DRIP IRRIGATION - TREES	283		EA	\$5.00	\$1,415
13	NATIVE SEED IRRIGATION	0		SF	\$0.50	\$0
14	SOD IRRIGATION	94,547		SF	\$0.90	\$85,092
15	CEDAR FIBER MULCH	1,320		SF	\$0.60	\$792
16	STEEL EDGER	0		LF	\$2.00	\$0
17	ENTRY COLUMN	1		EA	\$3,000.00	\$3,000
					SUBTOTAL	\$326,993

R.O.W. TREE LAWN IRRIGATION PROVIDED BY ADJACENT HOUSE'S DOMESTIC WATER SUPPLY.

MOTSENBOCKER RD. MEDIAN						
No.	Item (* See Description)	Quantity	Size	Unit	Unit Cost	Total Cost
1	DECIDUOUS SHADE TREE - STREET TREE	5	2.5" cal	EA	\$530.00	\$2,650
2	ORNAMENTAL TREE - STREET TREE	5	2" cal	EA	\$450.00	\$2,250
3	DECIDUOUS SHRUB	79	5 gal	EA	\$25.00	\$1,975
4	EVERGREEN SHRUB	31	5 gal	EA	\$35.00	\$1,085
5	ORNAMENTAL GRASSES	134	1 gal	EA	\$16.00	\$2,144
6	PLANTING BED PREP	2,690		SF	\$0.35	\$942
7	DRIP IRRIGATION - SHRUBS	2,690		SF	\$0.35	\$942
8	DRIP IRRIGATION - TREES	10		EA	\$5.00	\$50
9	CEDAR FIBER MULCH	2,690		SF	\$0.60	\$1,614
SUBTOTAL						\$13,651

TOTAL	\$340,644
10% CONTINGENCY	\$34,064
IMPROVEMENTS TOTAL	\$374,708

NOTE: This Estimate of probable landscape construction costs is made on the basis of the Landscape Architect's experience and qualifications using estimated materials and installation costs based on the final design, pending approval, that represents the Landscape Architect's best judgment as a qualified Landscape Architect familiar with the landscape construction industry. This estimate has been prepared based upon the Town of Parker Standards.

By: Karen Z. Henry, PLA
Henry Design Group, Inc.



EXHIBIT E

Maps Depicting Public Improvements

**EXHIBIT E1
STREET IMPROVEMENTS EXHIBIT**



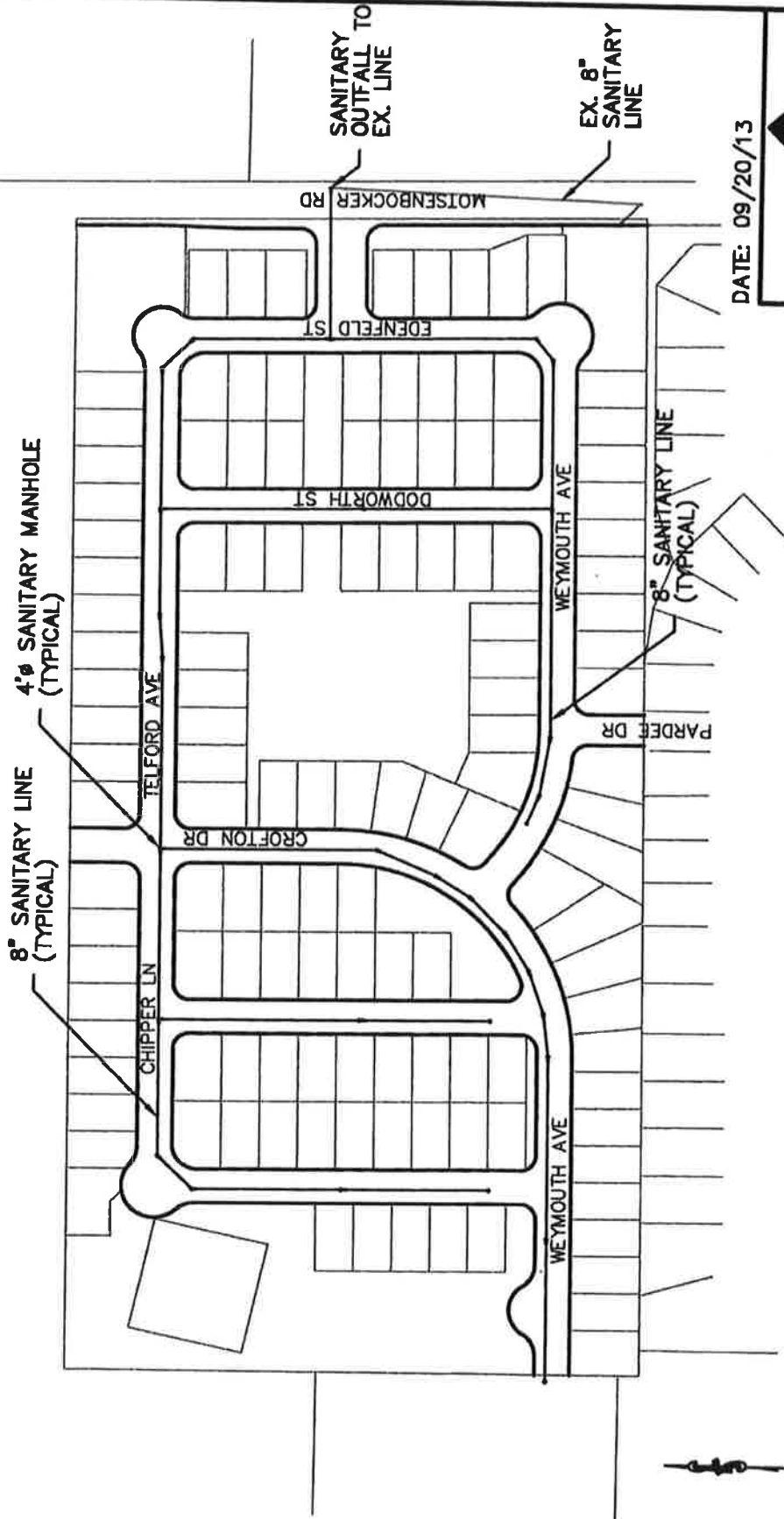
DATE: 09/20/13

Peak
Civil Consultants
200 W. HAMPTON AVE., SUITE 200
ENGLEWOOD, COLORADO 80110
PH: 720.855.3888
FAX: 720.529.3167
CONTACT: JEFF FRENCH



(IN FEET)
1 inch = 250 ft.

EXHIBIT E3
SANITARY IMPROVEMENTS EXHIBIT



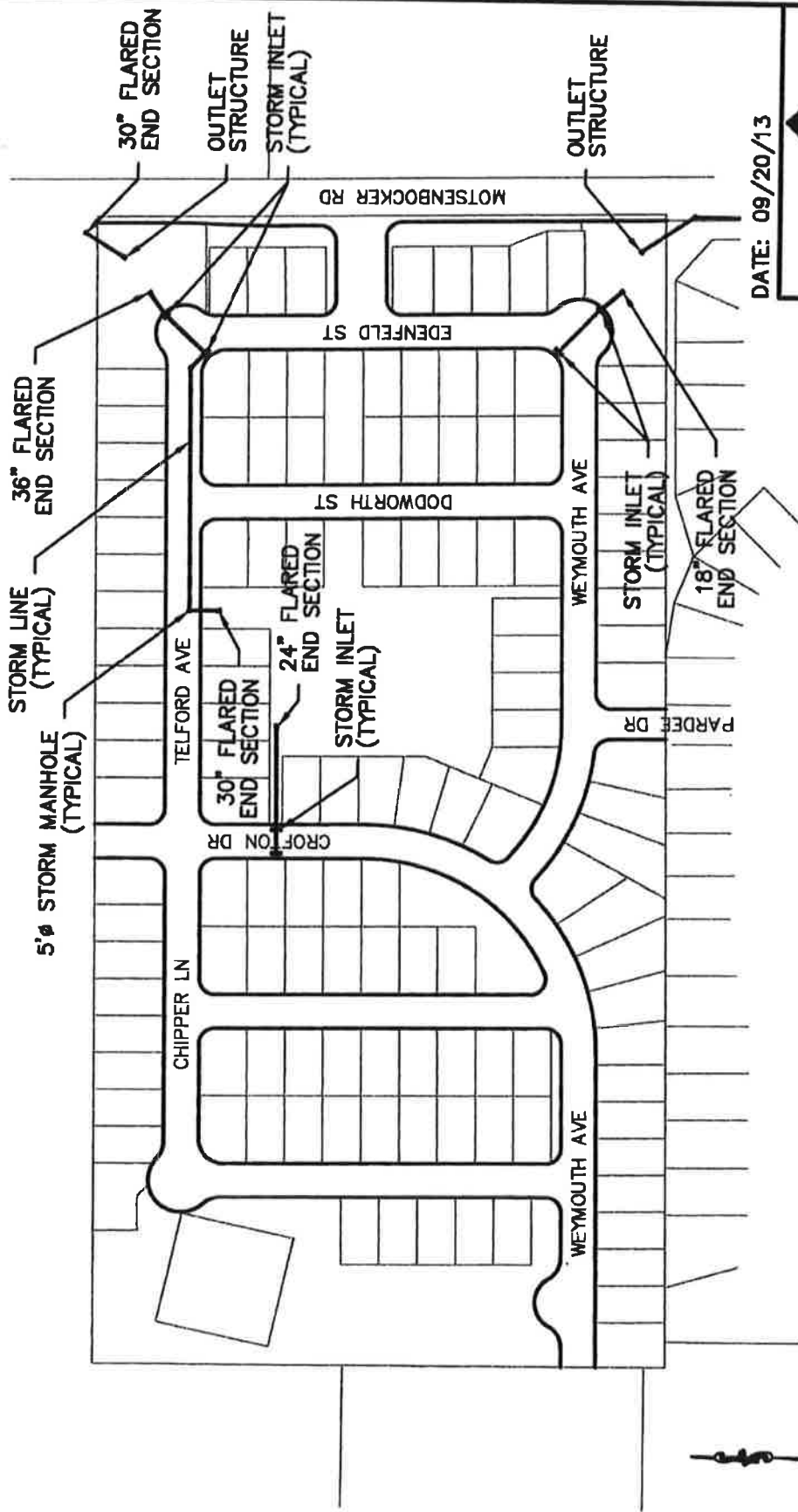
DATE: 09/20/13

Peak
 Civil Consultants
 200 W. HAMPTON AVE., SUITE 200
 ENGLEWOOD, COLORADO 80110
 PH: 720.955.3659
 FAX: 720.528.8167
 CONTACT: JEFF FRENCH



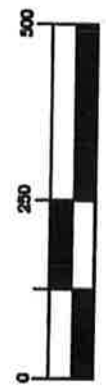
(IN FEET)
 1 inch = 250 ft

**EXHIBIT E4
STORM SEWER IMPROVEMENTS EXHIBIT**



DATE: 09/20/13

Peak
Civil Consultants
200 W. HAMPTON AVE., SUITE 200
ENGLEWOOD, COLORADO 80110
PH: 720.866.3669
FAX: 720.828.8167
CONTACT: JEFF FRENCH



(IN FEET)
1 inch = 250 ft

EXHIBIT F

Financial Plan

Stan Bernstein and Associates, Inc.

Financial Planners and Consultants

For Local Governments, Municipal Bond Underwriters, and Real Estate Developers

8400 East Prentice Avenue, Penthouse

Greenwood Village, Colorado 80111

Telephone: 303-409-7611, Cell: 303-594-0737; Email: stanplan@earthlink.net

February 20, 2014

Mr. John B. Warnick, Vice President

Ms. Lisa Purul, P.E.

CCC Holdings, LLC

8390 E. Crescent Parkway

Suite 650 Greenwood, Village, CO 80111

Scope and Limitations of Engagement

We have compiled the accompanying estimate of potential bonding capacity for the proposed Salisbury Heights Metropolitan District (“the District”). A compilation is limited to presenting information and assumptions that are those of the proponents of the District, and does not include independently verifying the accuracy of the information or assumptions.

Assumptions

The following key assumptions have been provided by Century Communities (“the Developer”), and form the basis of the estimate of potential bonding capacity for the District.

1. A total of 130 homes with average market values in the amount of \$420,065 are expected to be completed at full buildout which is expected to occur by the end of 2016. It is assumed that the market values of the homes will increase by an average of 2% every year beginning for tax reassessment year 2017.
2. 48 homes are expected to be completed during 2014, 48 homes are expected to be completed in 2015, and 34 homes are expected to be completed in 2016.
3. The total mill levy is expected to be 42.827 mills beginning for tax collection year 2016 and continue for 30 years pursuant to the Maximum Debt Mill Levy Imposition Term. It is anticipated that approximately 5.000 mills will be needed to fund administrative costs of the District (i.e., legal, accounting, audit, insurance, etc.). Consequently, approximately 37.827 mills are expected to be available for payment of debt service on general obligation bonds issued by the District.

Assumptions (continued)

4. It is assumed that the Developer will advance funds to the District during 2014 sufficient to construct the District's infrastructure as presented below (Source: Peak Civil Consultants).

LANDSCAPING	
MOTSENBOCKER RD. MEDIAN	13,651
RIGHT OF WAY - TREE LAWN	326,993
10% CONTINGENCY	<u>34,064</u>
LANDSCAPING TOTAL	<u>374,708</u>
HARD COSTS	
GRADING, EARTHWORK, EROSION CONTROL	214,418
STREETS	1,601,143
SANITARY SEWER	556,135
WATER MAIN	480,658
STORM SEWER/DRAINAGE	185,864
PARKS, OPEN SPACE, TRAILS	136,023
SLEEVING	15,600
10% CONTINGENCY	<u>318,983</u>
HARD COSTS TOTAL	<u>3,508,824</u>
OFF SITE HARD COSTS	
MOTSENBOCHER ROAD IMPROVEMENTS	116,736
MOTSENBOCHER MEDIAN	19,091
MOTSENBOCHER ROAD WATER	24,923
10% CONTINGENCY	<u>16,075</u>
OFF SITE HARD COSTS TOTAL	<u>176,825</u>
SOFT COSTS	
CONSULTING	<u>627,640</u>
SOFT COSTS TOTAL	<u>627,640</u>
TOTAL CAPITAL IMPROVEMENTS	<u>4,687,997</u>

5. General obligation bonds are expected to be issued when the certified assessed valuation of the District will result in an outstanding debt to assessed ratio of 50% or less. Sizing of general obligation bonds so that the debt to assessed valuation ratio is always 50% or less will result in the lowest interest rates (and perhaps eliminate the need for debt service reserve funds) because the general obligation bonds will then be sold as unlimited tax general obligation bonds and bond investors will not require debt service coverage generated from property tax revenues.

Assumptions (continued)

6. It is assumed that general obligation bonds in the amount of \$2,250,000 will be issued on December 1, 2017, and in the amount of \$650,000 on December 1, 2025. These two bond issues total \$2,900,000 and will be used to reimburse the Developer for infrastructure costs advanced to the District during 2014. Average interest rates of 6.50% have been assumed based upon 30-year level debt service. It is assumed that issuance costs will be paid by projected available District funds and not from bond proceeds (\$75,000 for the first bond issue, and \$50,000 for the second bond issue). Depending upon assessed valuation levels, interest rates, and municipal bond market conditions, it is also possible that only one bond issue totaling \$2,900,000 could be issued by the District. It is also possible that property tax revenues generated in excess of annual debt service payments could be used to reimburse the Developer for infrastructure costs advanced to the District during 2014.
7. Administrative costs such as audit, accounting, legal, and insurance are assumed to be funded from approximately 5.000 mills of the 42.827 debt service mill levy. During the early years of the District it might be necessary for the Developer to advance funds for the payment of administrative costs.
8. Specific Ownership Tax revenues have been calculated based on applying a factor of 8.0% to annual property tax revenues.
9. It is assumed that the County Treasurer's collection fee will be 1.5% property tax revenues.
10. Interest earnings on accumulated funds available are assumed to average 0.25% annually.

Estimate of Potential Bonding Capacity

Based upon the above assumptions, the attached Exhibit I indicates a potential bonding capacity of approximately \$2,900,000 once all 130 homes are completed. This estimate assumes average home value inflation of slightly less than 2% per year beginning for tax collection year 2018. If the annual rate of inflation exceeds 2% per year the amount of bonds that could be supported would exceed \$2,900,000; conversely if average home appreciation is less than 2% annually, it might not be possible to amortize the assumed \$2,900,000 bond issues over a 30 year period at the assumed 42.827 mill levy.

Mr. John Warnick
Ms. Lisa Purul
February 20, 2014
Page 4

Certification

Based upon the assumptions disclosed above, which are those of the Developer and have not been independently verified or evaluated by Stan Bernstein and Associates, Inc., the District is expected to retire all debt referenced in the Financial Model, within the restrictions set forth in the Service Plan, including but not limited to the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term.

Disclaimer

The assumptions disclosed in the Financial Plan are those of the Developer and have not been independently reviewed by Stan Bernstein and Associates, Inc. Those assumptions identified are believed to be the significant factors in determining financial feasibility; however, they are likely not to be all-inclusive. There will usually be differences between forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Key assumptions – like those relating to market values of real property improvements and the buildout schedule of such property – are particularly sensitive in terms of the timing necessary to create the tax base for the District. A small variation in these variables, and to their timing, can have a large effect on the forecasted results. There is a high probability that the forecasted results will differ from realized future tax base factors and such variations can be material. Additionally, other key assumptions relating to inflation, assessment ratios, interest rates, and infrastructure, administrative, and operating costs may, and likely will, vary from those assumed.

Because Stan Bernstein and Associates, Inc. has not independently evaluated or reviewed the assumptions that the Financial Model is based upon, we do not vouch for the achievability (and disclaim any opinion) of the information presented on the accompanying Exhibit I and Schedule I. Furthermore, because of the inherent nature of future events, which are subject to change and variation as events and circumstances change, the actual results may vary materially from the results presented on Exhibit I and Schedule I. Stan Bernstein and Associates, Inc. has no responsibility or obligation to update this information or this Financial Model for events occurring after the date of this report.

Very truly yours,

Stan Bernstein (for the firm)

Stan Bernstein and Associates, Inc.

EXHIBIT I
SALISBURY HEIGHTS METROPOLITAN DISTRICT
CASH FLOW FORECASTS (COMBINED GENERAL FUND AND DEBT SERVICE FUND)
FOR THE YEARS ENDING DECEMBER 31, 2014 THROUGH 2047

SEE CONSULTANT'S DISCLAIMER

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
KEY ASSUMPTIONS										
ASSESSED VALUATION (SCH. 1)	0	0	1,950,555	3,205,110	4,520,710	4,520,710	4,701,538	4,701,538	4,889,600	4,889,600
TOTAL MILL LEVY	0.00	0.000	42.827	42.827	42.827	42.827	42.827	42.827	42.827	42.827
INCREMENTAL RESIDENTIAL UNITS ADDED (SCH. 1)	48	48	34	0	0	0	0	0	0	0
CUMULATIVE RESIDENTIAL UNITS (SCH. 1)	48	96	130	130	130	130	130	130	130	130
CASH FLOW										
REVENUES										
PROPERTY TAXES	0	0	83,536	137,256	193,606	193,606	201,353	201,353	209,407	209,407
SPECIFIC OWNERSHIP TAXES @ 8% OF PROPERTY TAXES	0	0	6,683	10,981	15,489	15,489	16,108	16,108	16,753	16,753
DEVELOPER OPERATING ADVANCE (REPAYMENT)	20,000	20,000	10,247	3,974	(10,000)	(10,000)	(10,000)	(10,000)	(14,221)	0
DEVELOPER CONTRIBUTION FOR INFRASTRUCTURE	4,687,997	0	0	0	0	0	0	0	0	0
ULT. G.O. BOND ISSUES	0	0	0	2,250,000	0	0	0	0	0	0
INTEREST EARNINGS @ .25% OF BEGINNING FUNDS	0	0	0	198	336	343	341	363	389	417
TOTAL REVENUES	4,707,997	20,000	100,467	2,402,419	199,434	199,440	207,802	207,824	212,328	228,576
EXPENDITURES										
COUNTY TREASURER 1.5% COLLECTION FEE	0	0	1,253	2,059	2,904	2,904	3,020	3,020	3,141	3,141
INFRASTRUCTURE EXPENDITURES	4,687,997	0	0	75,000	0	0	0	0	0	0
COSTS OF BOND ISSUANCE	0	0	0	2,250,000	0	0	0	0	0	0
REIMBURSE DEVELOPER FOR INFRASTRUCTURE ADVANCES	0	0	20,000	20,000	22,604	22,604	23,508	23,508	24,448	24,448
ADMINISTRATIVE COSTS (5 MILLS AFTER 2017)	20,000	20,000	21,253	2,347,059	25,508	25,508	26,528	26,528	27,589	27,589
TOTAL EXPENDITURES	4,707,997	20,000	21,253	2,347,059	25,508	25,508	26,528	26,528	27,589	27,589
FUNDS AVAILABLE FOR DEBT SERVICE										
ULT. G.O. BONDS	0	0	79,214	55,360	173,926	173,933	181,274	181,296	184,739	198,987
SERIES 12/1/2017 @ 6.5%										
INTEREST @ 6.5%	0	0	0	0	146,250	144,625	142,675	140,725	138,775	136,500
PRINCIPAL REDUCTION	0	0	0	0	25,000	30,000	30,000	30,000	35,000	35,000
TOTAL DEBT SERVICE	0	0	0	0	171,250	174,625	172,675	171,725	173,775	171,500
ULT. G.O. BONDS OUTSTANDING @ 12/31	0	0	0	2,250,000	2,225,000	2,195,000	2,165,000	2,135,000	2,100,000	2,065,000
SERIES 12/1/2025 @ 6.5%										
INTEREST @ 6.5%	0	0	0	0	0	0	0	0	0	0
PRINCIPAL REDUCTION	0	0	0	0	0	0	0	0	0	0
TOTAL DEBT SERVICE	0	0	0	0	0	0	0	0	0	0
ULT. G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	0	0	0	0	0	0
TOTAL EXPEND INCLUD. DEBT SERVICE & CAPITAL IMPROVEMENTS										
	4,707,997	20,000	21,253	2,347,059	196,758	200,133	199,203	197,253	201,364	199,089
EXCESS REVENUES & BONDS OVER EXPENDITURES										
	0	0	79,214	55,360	2,676	(692)	8,599	10,571	10,964	27,487
BEGINNING FUND BALANCE - JANUARY 1										
	0	0	0	79,214	134,573	137,249	136,557	145,156	155,727	166,691
ENDING FUND BALANCE - DECEMBER 31										
	0	0	79,214	134,573	137,249	136,557	145,156	155,727	166,691	194,178
TOTAL ULT. G.O. BONDS OUTSTANDING @ 12/31										
	0	0	0	49,779%	2,225,000	2,195,000	2,165,000	2,135,000	2,100,000	2,065,000
% OF OUTSTANDING ULT. G.O. BONDS/ASSESSED VALUATION										
	0.000%	0.000%	0.000%	49.779%	49.22%	46.69%	46.05%	43.66%	42.95%	40.61%

EXHIBIT 1
 SALISBURY HEIGHTS METROPOLITAN DISTRICT
 CASH FLOW FORECASTS (COMBINED GENERAL FUND AND DEBT SERVICE FUND)
 FOR THE YEARS ENDING DECEMBER 31, 2014 THROUGH 2047

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
KEY ASSUMPTIONS										
ASSESSED VALUATION (SCH. 1)	5,085,184	5,085,184	5,288,591	5,288,591	5,500,135	5,500,135	5,720,140	5,720,140	5,948,946	5,948,946
TOTAL MILL LEVY	42.827	42.827	42.827	42.827	42.827	42.827	42.827	42.827	42.827	42.827
INCREMENTAL RESIDENTIAL UNITS ADDED (SCH. 1)	0	0	0	0	0	0	0	0	0	0
CUMULATIVE RESIDENTIAL UNITS (SCH. 1)	130	130	130	130	130	130	130	130	130	130
CASH FLOW										
REVENUES										
PROPERTY TAXES	217,783	217,783	226,495	226,495	235,554	235,554	244,976	244,976	254,776	254,776
SPECIFIC OWNERSHIP TAXES @ 8% OF PROPERTY TAXES	17,423	17,423	18,120	18,120	18,844	18,844	19,598	19,598	20,382	20,382
DEVELOPER OPERATING ADVANCE (REPAYMENT)	0	0	0	0	0	0	0	0	0	0
DEVELOPER CONTRIBUTION FOR INFRASTRUCTURE	0	0	0	0	0	0	0	0	0	0
ULT. G.O. BOND ISSUES	0	650,000	0	0	0	0	0	0	0	0
INTEREST EARNINGS @ .25% OF BEGINNING FUNDS	485	567	531	516	497	495	491	520	547	596
TOTAL REVENUES	235,691	885,773	245,145	245,130	254,895	254,894	265,066	265,094	275,704	275,753
EXPENDITURES										
COUNTY TREASURER 1.5% COLLECTION FEE	3,267	3,267	3,397	3,397	3,533	3,533	3,675	3,675	3,822	3,822
INFRASTRUCTURE EXPENDITURES	0	0	0	0	0	0	0	0	0	0
COSTS OF BOND ISSUANCE	0	50,000	0	0	0	0	0	0	0	0
REIMBURSE DEVELOPER FOR INFRASTRUCTURE ADVANCES	0	650,000	0	0	0	0	0	0	0	0
ADMINISTRATIVE COSTS (5 MILLS AFTER 2017)	25,428	25,428	26,443	26,443	27,501	27,501	28,601	28,601	29,745	29,745
TOTAL EXPENDITURES	28,693	728,693	29,840	29,840	31,034	31,034	32,275	32,275	33,566	33,566
FUNDS AVAILABLE FOR DEBT SERVICE	206,999	157,081	215,305	215,290	223,861	223,860	232,790	232,819	242,138	242,187
ULT. G.O. BONDS										
SERIES 12/1/2017 @ 6.5%	134,225	131,625	129,025	126,100	123,175	119,925	116,350	112,775	108,875	104,650
INTEREST @ 6.5%	40,000	40,000	45,000	45,000	50,000	55,000	55,000	60,000	65,000	65,000
PRINCIPAL REDUCTION	174,225	171,625	174,025	171,100	174,175	174,925	171,350	172,775	173,875	169,650
TOTAL DEBT SERVICE	2,025,000	1,985,000	1,940,000	1,895,000	1,845,000	1,790,000	1,735,000	1,675,000	1,610,000	1,545,000
SERIES 12/1/2025 @ 6.5%										
INTEREST @ 6.5%	0	0	42,260	41,925	41,275	40,625	39,975	39,325	38,675	38,025
PRINCIPAL REDUCTION	0	0	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
TOTAL DEBT SERVICE	0	0	47,260	51,925	51,275	50,625	49,975	49,325	48,675	48,025
ULT. G.O. BONDS OUTSTANDING @ 12/31	0	650,000	645,000	635,000	625,000	615,000	605,000	595,000	585,000	575,000
TOTAL EXPEND INCLUD. DEBT SERVICE & CAPITAL IMPROVEMENTS	202,918	900,318	251,115	252,865	255,494	256,584	253,600	254,375	256,116	251,241
EXCESS REVENUES & BONDS OVER EXPENDITURES	32,774	(14,544)	(5,870)	(7,735)	(589)	(1,680)	11,465	10,719	19,568	24,512
BEGINNING FUND BALANCE - JANUARY 1	194,178	228,952	212,407	206,437	198,702	198,113	198,423	207,888	218,607	238,195
ENDING FUND BALANCE - DECEMBER 31	226,952	212,407	206,437	198,702	198,113	196,423	207,888	218,607	238,195	262,707
TOTAL ULT. G.O. BONDS OUTSTANDING @ 12/31	2,025,000	2,635,000	2,585,000	2,530,000	2,470,000	2,405,000	2,340,000	2,270,000	2,185,000	2,120,000
% OF OUTSTANDING ULT. G.O. BONDS/ASSESSED VALUATION	39.82%	49.82%	48.88%	46.00%	44.91%	42.04%	40.91%	38.16%	36.90%	34.27%

EXHIBIT I
 SALISBURY HEIGHTS METROPOLITAN DISTRICT
 CASH FLOW FORECASTS (COMBINED GENERAL FUND AND DEBT SERVICE FUND)
 FOR THE YEARS ENDING DECEMBER 31, 2014 THROUGH 2047

	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
KEY ASSUMPTIONS										
ASSESSED VALUATION (SCH. 1)	6,186,904	6,186,904	6,434,380	6,434,380	6,691,755	6,691,755	6,959,425	6,959,425	7,237,802	7,237,802
TOTAL MILL LEVY	42.827	42.827	42.827	42.827	42.827	42.827	42.827	42.827	42.827	42.827
INCREMENTAL RESIDENTIAL UNITS ADDED (SCH. 1)	0	0	0	0	0	0	0	0	0	0
CUMULATIVE RESIDENTIAL UNITS (SCH. 1)	130	130	130	130	130	130	130	130	130	130
CASH FLOW										
REVENUES										
PROPERTY TAXES	264,967	264,967	275,565	275,565	286,588	286,588	298,051	298,051	309,973	309,973
SPECIFIC OWNERSHIP TAXES @ 8% OF PROPERTY TAXES	21,197	21,197	22,045	22,045	22,927	22,927	23,844	23,844	24,798	24,798
DEVELOPER OPERATING ADVANCE (REPAYMENT)	0	0	0	0	0	0	0	0	0	0
DEVELOPER CONTRIBUTION FOR INFRASTRUCTURE	0	0	0	0	0	0	0	0	0	0
ULT. G.O. BOND ISSUES	0	0	0	0	0	0	0	0	0	0
INTEREST EARNINGS @ .25% OF BEGINNING FUNDS	657	742	828	928	1,032	1,165	1,291	1,438	1,593	1,785
TOTAL REVENUES	286,821	286,906	298,438	298,539	310,546	310,680	323,186	323,333	336,964	336,557
EXPENDITURES										
COUNTY TREASURER 1.5% COLLECTION FEE	3,974	3,974	4,133	4,133	4,299	4,299	4,471	4,471	4,650	4,650
INFRASTRUCTURE EXPENDITURES	0	0	0	0	0	0	0	0	0	0
COSTS OF BOND ISSUANCE	0	0	0	0	0	0	0	0	0	0
REIMBURSE DEVELOPER FOR INFRASTRUCTURE ADVANCES	0	0	0	0	0	0	0	0	0	0
ADMINISTRATIVE COSTS (\$ MILLS AFTER 2017)	30,935	30,935	32,172	32,172	33,459	33,459	34,797	34,797	36,189	36,189
TOTAL EXPENDITURES	34,909	34,909	36,305	36,305	37,758	37,758	39,258	39,258	40,839	40,839
FUNDS AVAILABLE FOR DEBT SERVICE	251,912	251,997	262,133	262,233	272,789	272,922	283,918	284,065	295,526	295,718
ULT. G.O. BONDS										
SERIES 12/1/2017 @ 6.5%	100,425	95,875	91,000	85,800	80,275	74,425	67,925	61,100	53,950	46,475
INTEREST @ 6.5%	70,000	75,000	80,000	85,000	90,000	100,000	105,000	110,000	115,000	125,000
PRINCIPAL REDUCTION	170,425	170,875	171,000	170,800	170,275	171,425	172,925	171,100	168,950	171,475
TOTAL DEBT SERVICE	1,475,000	1,400,000	1,320,000	1,235,000	1,145,000	1,045,000	940,000	830,000	715,000	590,000
SERIES 12/1/2025 @ 6.5%										
INTEREST @ 6.5%	37,575	36,725	36,075	35,100	34,125	33,150	32,175	30,875	29,575	28,275
PRINCIPAL REDUCTION	10,000	10,000	15,000	15,000	15,000	15,000	20,000	20,000	20,000	20,000
TOTAL DEBT SERVICE	47,575	46,725	51,075	50,100	49,125	48,150	52,175	50,875	49,575	48,275
ULT. G.O. BONDS OUTSTANDING @ 12/31	565,000	555,000	540,000	525,000	510,000	495,000	475,000	455,000	435,000	415,000
TOTAL EXPEND INCLUD. DEBT SERVICE & CAPITAL IMPROVEMENTS	252,709	252,509	258,380	257,205	257,158	260,333	264,368	261,243	259,364	260,589
EXCESS REVENUES & BONDS OVER EXPENDITURES	34,112	34,397	40,058	41,333	53,389	50,347	58,818	62,090	77,001	75,968
BEGINNING FUND BALANCE - JANUARY 1	262,707	296,818	331,215	371,273	412,606	465,995	516,342	575,161	637,251	714,252
ENDING FUND BALANCE - DECEMBER 31	296,818	331,215	371,273	412,606	465,995	516,342	575,161	637,251	714,252	790,220
TOTAL ULT. G.O. BONDS OUTSTANDING @ 12/31	2,040,000	1,955,000	1,860,000	1,760,000	1,655,000	1,540,000	1,415,000	1,285,000	1,150,000	1,005,000
% OF OUTSTANDING ULT. G.O. BONDS/ASSESSED VALUATION	32.97%	30.38%	28.91%	26.30%	24.73%	22.13%	20.33%	17.75%	15.89%	13.35%

EXHIBIT I
SALISBURY HEIGHTS METROPOLITAN DISTRICT
CASH FLOW FORECASTS (COMBINED GENERAL FUND AND DEBT SERVICE FUND)
FOR THE YEARS ENDING DECEMBER 31, 2014 THROUGH 2047

	2044	2045	2046	2047	TOTALS
KEY ASSUMPTIONS					
ASSESSED VALUATION (SCH. 1)	7,527,315	7,527,315	7,828,407	7,828,407	7,828,407
TOTAL MILL LEVY	42.827	42.827	5.000	5.000	130
INCREMENTAL RESIDENTIAL UNITS ADDED (SCH. 1)	0	0	0	0	0
CUMULATIVE RESIDENTIAL UNITS (SCH. 1)	130	130	130	130	130
CASH FLOW					
REVENUES					
PROPERTY TAXES	2044	2045	2046	2047	TOTALS
SPECIFIC OWNERSHIP TAXES @ 8% OF PROPERTY TAXES	322,372	322,372	39,142	39,142	7,382,023
DEVELOPER OPERATING ADVANCE (REPAYMENT)	25,790	25,790	3,131	3,131	590,562
DEVELOPER CONTRIBUTION FOR INFRASTRUCTURE	0	0	0	0	0
ULT. G.O. BOND ISSUES	0	0	0	0	4,687,997
INTEREST EARNINGS @ 25% OF BEGINNING FUNDS	1,976	2,181	701	709	2,900,000
TOTAL REVENUES	350,138	350,343	42,975	42,983	15,586,242
EXPENDITURES					
COUNTY TREASURER 1.5% COLLECTION FEE	4,836	4,836	587	587	110,730
INFRASTRUCTURE EXPENDITURES	0	0	0	0	4,687,997
COSTS OF BOND ISSUANCE	0	0	0	0	125,000
REIMBURSE DEVELOPER FOR INFRASTRUCTURE ADVANCES	0	0	0	0	2,900,000
ADMINISTRATIVE COSTS (5 MILLS AFTER 2017)	37,637	37,637	39,142	39,142	985,208
TOTAL EXPENDITURES	42,472	42,472	39,729	39,729	8,808,936
FUNDS AVAILABLE FOR DEBT SERVICE	307,665	307,871	3,245	3,254	6,776,306
ULT. G.O. BONDS					
SERIES 12/1/2017 @ 6.5%					
INTEREST @ 6.5%	38,350	29,575	0	0	2,881,450
PRINCIPAL REDUCTION	135,000	455,000	0	0	2,250,000
TOTAL DEBT SERVICE	173,350	484,575	0	0	5,131,450
ULT. G.O. BONDS OUTSTANDING @ 12/31	455,000	0	0	0	0
SERIES 12/1/2025 @ 6.5%					
INTEREST @ 6.5%	26,975	25,350	0	0	707,850
PRINCIPAL REDUCTION	25,000	390,000	0	0	650,000
TOTAL DEBT SERVICE	51,975	415,350	0	0	1,357,850
ULT. G.O. BONDS OUTSTANDING @ 12/31	390,000	0	0	0	0
TOTAL EXPEND INCLUD. DEBT SERVICE & CAPITAL IMPROVEMENTS	267,797	942,397	39,729	39,729	15,298,236
EXCESS REVENUES & BONDS OVER EXPENDITURES	82,340	(592,054)	3,245	3,254	287,006
BEGINNING FUND BALANCE - JANUARY 1	790,220	872,561	280,507	283,752	0
ENDING FUND BALANCE - DECEMBER 31	872,561	280,507	283,752	287,006	287,006
TOTAL ULT. G.O. BONDS OUTSTANDING @ 12/31	845,000	0	0	0	0
% OF OUTSTANDING ULT. G.O. BONDS/ASSESSED VALUATION	11.23%	0.00%	0.00%	0.00%	0

SCHEDULE 1
 SALISBURY HEIGHTS METROPOLITAN DISTRICT
 PROJECTED ASSESSED VALUATION - BUILDDOUT
 FOR THE YEARS ENDING DECEMBER 31, 2014 THROUGH 2018

BUILDDOUT - RESIDENTIAL (Century Communities)			
Description of Unit	Planned Number of Homes	Average Per Unit Price	Total Gross Sales Volume
5030 Units	12	394,950	4,739,400
5040 Units	15	394,950	5,774,250
5050 Units	29	399,950	11,598,550
5060 Units	26	419,950	10,918,700
5070 Units	20	434,950	8,699,000
5080 Units	28	459,950	12,878,600
Total Residential - Incremental	130	420,065	54,608,500
Total Residential - Cumulativ	130		
Total Value - Residential			54,608,500

SEE CONSULTANTS DISCLAIMER

	2014	2015	2016	2017	2018	TOTAL
Actual Values:						
5030 Units	1,579,800	1,579,800	1,579,800	0	0	4,739,400
5040 Units	2,309,700	2,309,700	1,154,850	0	0	5,774,250
5050 Units	4,399,450	4,399,450	2,799,650	0	0	11,598,550
5060 Units	4,199,500	4,199,500	2,519,700	0	0	10,918,700
5070 Units	3,044,650	3,044,650	2,609,700	0	0	8,699,000
5080 Units	4,599,500	4,599,500	3,679,600	0	0	12,878,600
Vacant Land - Rough Estimate	1,200,000	(1,200,000)	0	0	0	0
Total Actual Values	21,332,600	18,932,600	14,343,800	0	0	54,608,500
Total Actual Values - Cumulative	21,332,600	40,265,200	54,608,500	54,608,500	54,608,500	54,608,500

	2015	2016	2017	2018	2019	TOTAL
Assessed Values:						
5030 Units	125,752	125,752	125,752	0	0	377,256
5040 Units	183,852	183,852	91,926	0	0	459,630
5050 Units	350,196	350,196	222,852	0	0	923,245
5060 Units	334,280	334,280	200,568	0	0	869,129
5070 Units	242,354	242,354	207,732	0	0	692,440
5080 Units	366,120	366,120	292,899	0	0	1,025,137
Total Assessed Valuation Residential	1,602,535	1,602,535	1,141,727	0	0	4,346,837
Total Assessed Valuation Vacant Land - Single family (130 Lots)	348,000	(348,000)	0	0	0	0
Total Assessed Valuation - Incremental	1,950,535	1,254,535	1,141,727	0	0	4,346,837
Total Assessed Values - Cumulative	1,950,535	3,205,110	4,346,837	4,346,837	4,346,837	4,346,837
Total Assessed Values - Cum. 4% Biennial Net Increases beg. In 2018	1,950,535	3,205,110	4,520,710	4,520,710	4,701,539	4,701,539

Year Assessed Valuation Certified
 Year Taxes Received

SCHEDULE 2
 SALISBURY HEIGHTS METROPOLITAN DISTRICT
 CAPITAL IMPROVEMENT COSTS
 FOR THE YEARS ENDING DECEMBER 31, 2014 THROUGH 2046

SEE CONSULTANTS' DISCLAIMER

CAPITAL IMPROVEMENTS - SOURCE: PEAK CIVIL CONSULTANTS

	<u>2014</u>
LANDSCAPING	
MOTSENBOCHER RD. MEDIAN	13,651
RIGHT OF WAY - TREE LAWN	326,993
10% CONTINGENCY	34,064
LANDSCAPING TOTAL	<u>374,708</u>
HARD COSTS	0
GRADING, EARTHWORK, EROSION CONTROL	214,418
STREETS	1,501,143
SANITARY SEWER	556,136
WATER MAIN	480,658
STORM SEWER/DRAINAGE	1,85,864
PARKS, OPEN SPACE, TRAILS	136,023
SLEEVING	15,600
10% CONTINGENCY	318,983
HARD COSTS TOTAL	<u>3,508,824</u>
OFF SITE HARD COSTS	
MOTSENBOCHER ROAD IMPROVEMENTS	116,736
MOTSENBOCHER MEDIAN	19,091
MOTSENBOCHER ROAD WATER	24,923
10% CONTINGENCY	16,075
OFF SITE HARD COSTS TOTAL	<u>176,825</u>
SOFT COSTS	
CONSULTING	627,640
SOFT COSTS TOTAL	<u>627,640</u>
TOTAL CAPITAL IMPROVEMENTS	<u>4,687,997</u>

EXHIBIT G

Indemnification Letters

Developer's Letter

{date – on or after date of Service Plan approval}

Town of Parker
20120 E. Mainstreet
Parker, CO 80138-7334

RE: Salisbury Heights Metropolitan District

To the Town Council:

This Indemnification Letter (the "Letter") is delivered by the undersigned (the "Developer") in connection with the review by the Town of Parker (the "Town") of the Service Plan, including all amendments heretofore or hereafter made thereto (the "Service Plan") for the Salisbury Heights Metropolitan District (the "District"). Developer, for and on behalf of itself and its transferees, successors and assigns, represents, warrants, covenants and agrees to and for the benefit of the Town as follows:

1. Developer hereby waives and releases any present or future claims it might have against the Town or the Town's elected or appointed officers, employees, agents, contractors or insurers (the "Released Persons") in any manner related to or connected with the Service Plan or any action or omission with respect thereto. Developer further hereby agrees to indemnify and hold harmless the Released Persons from and against any and all liabilities resulting from any and all claims, demands, suits, actions or other proceedings of whatsoever kind or nature made or brought by any third party, including attorneys' fees and expenses and court costs, which directly or indirectly or purportedly arise out of or are in any manner related to or connected with any of the following: (a) the Service Plan or any document or instrument contained or referred to therein; or (b) the formation of the District; or (c) any actions or omissions of the Developer or the District, or their agents, in connection with the District, including, without limitation, any actions or omissions of the Developer or District, or their agents, in relation to any bonds or other financial obligations of the District or any offering documents or other disclosures made in connection therewith. Developer further agrees to investigate, handle, respond to and to provide defense for and defend against, or at the Town's option to pay the attorneys' fees and expenses for counsel of the Town's choice for any such liabilities, claims, demands, suits, actions or other proceedings.

2. Developer hereby consents to the Debt Instrument Disclosure Requirements as set forth Section VI.F of the Service Plan, acknowledges the Town's right to modify the required disclosures, and waives and releases the Town from any claims Developer might have based on or relating to the use of or any statements made or to be made in such disclosures (including any modifications thereto).

3. This Letter has been duly authorized and executed on behalf of Developer.

Very truly yours,

CCC Holdings, LLC, a Colorado limited liability
company

By: _____

Name: _____

Title: _____

District's Letter

{date – date of organizational meeting}

Town of Parker
20120 E. Mainstreet
Parker, CO 80138-7334

RE: Salisbury Heights Metropolitan District

To the Town Council:

This Indemnification Letter (the "Letter") is delivered by the Salisbury Heights Metropolitan District (the "District") in order to comply with the Service Plan, including all amendments heretofore or hereafter made thereto (the "Service Plan") for the District. The District, for and on behalf of itself and its transferees, successors and assigns, represents, warrants, covenants and agrees to and for the benefit of the Town as follows:

1. The District hereby waives and releases any present or future claims it might have against the Town or the Town's elected or appointed officers, employees, agents, contractors or insurers (the "Released Persons") in any manner related to or connected with the Service Plan or any action or omission with respect thereto. To the fullest extent permitted by law, the District hereby agrees to indemnify and hold harmless the Released Persons from and against any and all liabilities resulting from any and all claims, demands, suits, actions or other proceedings of whatsoever kind or nature made or brought by any third party, including attorneys' fees and expenses and court costs, which directly or indirectly or purportedly arise out of or are in any manner related to or connected with any of the following: (a) the Service Plan or any document or instrument contained or referred to therein; or (b) the formation of the District; or (c) any actions or omissions of the District, or CCC Holdings, LLC, a Colorado limited liability company (the "Developer"), or their agents, in connection with the District, including, without limitation, any actions or omissions of the District or Developer, or their agents, in relation to any bonds or other financial obligations of the District or any offering documents or other disclosures made in connection therewith. The District further agrees to investigate, handle, respond to and to provide defense for and defend against, or at the Town's option to pay the attorneys' fees and expenses for counsel of the Town's choice for any such liabilities, claims, demands, suits, actions or other proceedings.

2. It is understood and agreed that neither the District nor the Town waives or intends to waive the monetary limits (presently \$350,000 for an injury to one person in any single occurrence, and \$950,000 for an injury to two or more persons in any single occurrence, except that in such instance, no person may recover in excess of \$350,000) or any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, Section 24-10-101, et seq., C.R.S., as is from time to time amended, or otherwise available to the Town, the District, its officers, or its employees.

3. The District hereby consents to the Debt Instrument Disclosure Requirements as set forth in Section VI.F of the Service Plan, acknowledges the Town's right to modify the required disclosures, and waives and releases the Town from any claims the District might have

based on or relating to the use of or any statements made or to be made in such disclosures (including any modifications thereto).

4. This Letter has been duly authorized and executed on behalf of the District.

Very truly yours,

SALISBURY HEIGHTS METROPOLITAN
DISTRICT

By: _____
_____, President

Attest:

Secretary

EXHIBIT H

Intergovernmental Agreement

TOWN OF PARKER

INTERGOVERNMENTAL AGREEMENT BETWEEN

THE TOWN OF PARKER, COLORADO AND THE

SALISBURY HEIGHTS METROPOLITAN DISTRICT

THIS AGREEMENT is made and entered into as of this ___ day of _____, 20___, by and between the TOWN OF PARKER, a home rule municipal corporation of the State of Colorado (the "Town"), and the SALISBURY HEIGHTS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District"). The Town and the District are collectively referred to as the "Parties."

WITNESSETH:

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

WHEREAS, the District was organized to provide those services and to exercise powers as are more specifically set forth in the District's Service Plan approved by the Town on _____, 20___ (the "Service Plan"); and

WHEREAS, the Service Plan makes reference to the execution of an intergovernmental agreement between the Town and the District, as required by Chapter 10.11 of the Town Code; and

WHEREAS, it is the Town's policy that special districts located within residential projects shall share in regional public improvements, and the model intergovernmental agreement required by Chapter 10.11 of the Town Code includes provisions for special districts to provide regional improvement funds; and

WHEREAS, the Town, the Parker Water and Sanitation District and _____ ("_____") entered into that certain _____ Annexation Agreement dated _____, (the "Annexation Agreement"), which provides in part for the formation of a special taxing district to fund certain regional improvements, and the District is the special taxing district contemplated in the Annexation Agreement; and

WHEREAS, the specific regional improvements to be funded pursuant to this Agreement include the "Motsenbocker Median Improvements," consisting of costs for median improvements within Motsenbocker Road including to design and construct/install curb, gutter,

landscaping, irrigation, water tap and water tap fees, hardscape, construction management, surveying and testing (the “Regional Improvements”); and

WHEREAS, pursuant to this Agreement, the Town is responsible for constructing and owning the Regional Improvements and the District is responsible for providing funds for the construction of the Regional Improvements; and

WHEREAS, the Town and District acknowledge the need for the Regional Improvements in order to accomplish the comprehensive development of the property within the Salisbury Heights project (the “Property”) that is within the District’s service area; and

WHEREAS, the District desires to pay to the Town the amounts set forth in this Agreement for the construction of the Regional Improvements; and

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

WHEREAS, the Parties have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Intergovernmental Agreement (“Agreement”) to address certain matters related to the organization, powers and authorities of the District.

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Regional Improvements Funding.

(a) Within sixty (60) days following execution of this Agreement, the District shall deposit the sum of two hundred thousand dollars (\$200,000) with the Town (the “Regional Improvements Funds”). The District acknowledges and agrees that deposit of the Regional Improvements Funds with the Town is a material consideration in, and a condition of, the Town’s approval of the District’s Service Plan, and that the Town has relied thereon in approving the District’s Service Plan. The District specifically agrees that the foregoing requirement for deposit of the Regional Improvements Funds shall be enforceable by the Town by all remedies available at law or in equity, including without limitation affirmative injunctive relief. The District represents and warrants that it has obtained all voter authorizations and has appropriated all funds necessary to make the Regional Improvements Funds deposit to the Town with sixty (60) days following execution of this Agreement.

2. Use of Regional Improvements Funds. The Town shall use the Regional Improvements Funds paid pursuant to Section 1 solely and exclusively for costs of constructing the Regional Improvements.

3. Deposit of Regional Improvements Funds. The Town shall deposit and use any Regional Improvements funds paid pursuant to Section 1 only for costs of constructing the Regional Improvements. Such Regional Improvements funds may be applied to any design,

planning, engineering, surveying, construction management, labor, materials and administrative costs related to construction of the Regional Improvements.

4. Operations and Maintenance. The District shall dedicate the Public Improvements (as defined in the Service Plan) to the Town or other appropriate jurisdiction or owners association in a manner consistent with the final approved plat for the property located within the District's boundaries, other rules and regulations of the Town, and applicable provisions of the Town Code. The District shall not be authorized to operate and maintain any part or all of the Public Improvements or any other improvements, public or private, unless specifically provided for in this Agreement or separate agreement with the Town. The District shall not own fee title to any real property.

5. Fire Protection. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless specifically provided for in this Agreement or separate agreement with the Town. This provision shall not limit the District's authority to plan for, design, acquire, construct, install, relocate, redevelop or finance fire hydrants and related improvements installed as part of the water system.

6. Television Relay and Translation; Mosquito Control and Other Limitations. Unless specifically provided for in this Agreement or separate agreement with the Town, the District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate, maintain or provide: (a) any television relay and translation facilities and services, other than for the installation of conduit as a part of a street construction project; (b) any mosquito control facilities and services; (c) any solid waste disposal, collection and transportation facilities and services; and (d) any security, covenant enforcement and design review services.

7. Construction Standards. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the Town and of federal and state governmental entities having proper jurisdiction. The District will obtain the Town's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

8. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed bonds or other obligations, the payment of which the District has promised to impose an ad valorem property tax mill levy ("Debt"), the District shall obtain the certification of an External Financial Advisor substantially as follows:

("Company") is an External Financial Advisor within the meaning of the District's Service Plan.

Company certifies that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by the District for the [insert the designation of the Debt] does not exceed a market [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by Company and based upon Company's analysis of

comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

9. Inclusion and Exclusion. The District shall not include within its boundaries any property outside the Service Area (as defined in the Service Plan) without the prior written consent of the Town Council. The District shall not exclude any property from the District if such exclusion will result, or is reasonably anticipated to result, in detriment to the remaining residents and taxpayers within the District, or to the District's bondholders.

10. Total Debt Issuance. The District shall not issue Debt in excess of \$3,335,000 in total aggregate principal amount.

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

12. Consolidation; Dissolution. The District shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the Town. The District agrees that it shall take all action necessary to dissolve the District in accordance with the provisions of the Service Plan and applicable state statutes.

13. Service Plan Amendment Requirement. Any action of the District which violates the limitations set forth in Sections V.A.1-13 or VI.B-H of the Service Plan, or which constitutes a material modification under Parker Municipal Code section 10.11.060, shall be deemed to be a material modification to the Service Plan and the Town shall be entitled to all remedies available under State and local law to enjoin any such action(s) of the District. The Town may also seek damages for breach of this Agreement arising from violations by the District of any provision of the Service Plan.

14. Applicable Laws. The District acknowledges that the property within its boundaries shall be subject to all ordinances, rules and regulations of the Town, including without limitation, ordinances, rules and regulations relating to zoning, subdividing, building and land use, and to all related Town land use policies, master plans and related plans.

15. Annual Report. The District shall submit an annual report ("Annual Report") to the Town not later than September 1 of each calendar year following the year in which the Order and Decree creating the District has been issued by the District Court for and in Douglas County, Colorado, pursuant to Parker Municipal Code section 10.11.040 and containing the information set forth in Section VII of the Service Plan.

16. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law, including the Annual Report, shall be in writing and shall be deemed to have been validly given or served by delivery of same in person

to the address or by courier delivery, via Federal Express or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District: Salisbury Heights Metropolitan District
c/o McGeady Sisneros, P.C.
450 East 17th Avenue, Suite 400
Denver, CO 80203
Attn: Mary Jo Dougherty
Phone: (303) 592-4380
Fax: (303) 592-4385

To the Town: Town of Parker
20120 E. Mainstreet
Parker, CO 80138-7334
Attn: Town Attorney
cc: Finance Director
Phone: (303) 841-0353
Fax: (303) 840-9792

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with Federal Express or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

17. Miscellaneous.

(a) Effective Date. This Agreement shall be in full force and effect and be legally binding upon final approval of the governing bodies of the Parties. No Debt shall be issued by the District until after the effective date of this Agreement.

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

(c) Amendments. This Agreement may be amended from time to time by written amendment, duly authorized and signed by representatives of the Parties hereto.

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

(e) Execution of Documents. This Agreement may be executed in two (2) counterparts, either of which shall be regarded for all purposes as one original. Each Party agrees that it will execute any and all deeds, instruments, documents, and resolutions or ordinances necessary to give effect to the terms of this Agreement.

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

(g) Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees.

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

(i) Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

(j) Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

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

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

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

TOWN OF PARKER, COLORADO

By: _____
_____, Mayor

ATTEST:

_____, Town Clerk

APPROVED AS TO FORM:

_____, Town Attorney

**SALISBURY HEIGHTS
METROPOLITAN DISTRICT**, a quasi-
municipal corporation and political
subdivision of the State of Colorado

By: _____
_____, President

ATTEST:

_____, Secretary