

**AMENDED AND RESTATED SERVICE PLAN**

**FOR**

**LARKRIDGE**

**METROPOLITAN DISTRICT NO. 1**

**(CITY OF THORNTON, COLORADO)**

**APPROVED: August 9, 2005**

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**AMENDED AND RESTATED SERVICE PLAN FOR  
LARKRIDGE METROPOLITAN DISTRICT NO. 1**

**I. INTRODUCTION**

**A. General Information**

Pursuant to the requirements of the Special District Control Act, Section 32-1-201, et seq., Colorado Revised Statutes, this Service Plan consists of a financial analysis and an engineering plan showing how the existing and proposed facilities and services of the Larkridge Metropolitan District No. 1 ("District") will be constructed and financed. The following items are included in this Service Plan:

1. A description of the proposed services;
2. A financial plan showing how the proposed services are to be financed, including the proposed operating revenue derived from property taxes of the District;
3. A preliminary engineering or architectural survey showing how the proposed services are to be provided;
4. A map of the District boundaries, as hereinafter defined, the proposed Service Area, as hereinafter defined, and an estimate of the population and valuation for assessment of the District;
5. A general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility and service standards of the District are compatible with facility and service standards of the City of Thornton (the "City") and of any special districts which are interested parties pursuant to Section 32-1-204(1), Colorado Revised Statutes;

6. A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the operation of the District; and

7. A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the District and such other political subdivision, and if applicable, a form of the agreement is attached hereto.

## **II. DISTRICT BOUNDARIES/MAPS**

The total area proposed to be included in the initial District boundaries is approximately 132 acres (the "Initial District Boundaries") and the total area to be included in the future inclusion area 1 is approximately 19 acres (the "Future Inclusion Area 1") and the total area to be included in the future inclusion area 2 is approximately 8 acres (the Future Inclusion Area 2") (together the Initial District Boundaries, the Future Inclusion Area 1 and the Future Inclusion Area 2 shall be referred to as the "Property"). A legal description of the Initial District Boundaries is attached hereto as **Exhibit A-1**, a legal description of the Future Inclusion Area 1 is attached hereto as **Exhibit A-2**, and a legal description of the Future Inclusion Area 2 is attached hereto as **Exhibit A-3**. A map of the boundaries of the Initial District Boundaries is attached hereto as **Exhibit B-1**, a map of the boundaries of the Future Inclusion Area 1 is attached hereto as **Exhibit B-2**, and a map of the boundaries of the Future Inclusion Area 2 is attached hereto as **Exhibit B-3**. A vicinity map is attached hereto as **Exhibit C**. It is anticipated that the District's Boundaries may change from time to time as it undergoes inclusions pursuant to parts 4 and 5 of Article 1, Title 32, C.R.S. and as set forth in this Service Plan. Any inclusion

or exclusion or property except as those anticipated herein will require the prior approval of City Council.

### **III. PROPOSED LAND USE/POPULATION PROJECTIONS**

The land within the District is planned for the development of between 950,000 and 1,200,000 square feet of commercial development. Based upon an estimated 3.5 persons per 500 square feet of retail space, this would result in an estimated daytime population of 7,000 persons. In order to facilitate the development of the Property as planned, organized provision of Services proposed to be provided by the District will be necessary. It is not the intention of the District to have residents.

### **IV. DESCRIPTION OF PROPOSED IMPROVEMENTS AND SERVICES**

The following paragraphs provide a description of the Services the District will have the power to provide.

#### **A. Types of Improvements.**

The District plans to provide for the design, acquisition, construction, installation, maintenance, and financing of certain water, sanitation (to be referred to hereafter as wastewater), street and safety protection (to be referred to hereafter as street and traffic safety protection), parks and recreation, transportation and mosquito control improvements and services within and without the boundaries of the District ("Improvements"). The Improvements generally depicted and described in Exhibits D through F have been presented for illustration only and the exact design, subphasing of construction and location of the Improvements will be determined at the time of platting and such decisions shall not be considered to be a material modification of the Service Plan.

1. Water. The District shall have the power to provide for the design, acquisition, construction, completion and installation of a potable water transmission and distribution system, which may include, but shall not be limited to, transmission lines, distribution mains and laterals, fire hydrants, irrigation facilities, land and easements, and all necessary, incidental, and appurtenant facilities, together with extensions of and improvements to said system within and without the boundaries of the District. A general description and preliminary engineering sketch of the water facilities to be constructed and/or acquired are set forth in Exhibit D attached hereto. Following acceptance by the City, the City will own, operate and maintain the public potable water system.

Subject to the approval of the City Manager/Utilities Director, the District shall have the power to provide for the design, acquisition, construction, completion, installation, operation and maintenance of a non-potable water supply, purification, storage, transmission and distribution system, which may include, but shall not be limited to, wells, reservoirs, water pumps, purification plants, pump stations, transmission lines, distribution mains and laterals, irrigation facilities, canals, ditches, flumes, partial flumes, head gates, drop structures, storage facilities, land and easements, and all necessary incidental, and appurtenant facilities, together with extensions of and improvements to said system within and without the boundaries of the District. In the event the City authorizes a non-potable system the City Manager/Utilities Director will determine the ownership and maintenance of the non-potable system by separate agreement or permit.

2. Wastewater. The District shall have the power to provide for the design, acquisition, construction, completion and installation of a wastewater collection, treatment and transmission system which may include, but shall not be limited to, collection mains and laterals,

transmission lines, and all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said system within and without the boundaries of the District. A general description and preliminary engineering sketch of the wastewater facilities to be constructed and/or acquired are set forth in Exhibit E attached hereto. Following acceptance by the City, the City will own, operate and maintain the public wastewater system.

Drainage. The District shall have the power to provide for the design, acquisition, construction, completion, installation, operation and maintenance of storm sewer, flood and surface drainage facilities and systems, including detention/retention ponds and associated irrigation facilities, relocation of existing irrigation ditches and canals and all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said system within and without the boundaries of the District. A general description and preliminary engineering sketch of the drainage facilities to be constructed and/or acquired are set forth in **Exhibit E** attached hereto. Following acceptance by the City, the City will own, operate and maintain the public drainage storm sewer and associated appurtenances, facilities, land and easements with the exception of the Bull Canal which shall be owned, operated and maintained as provided by separate agreement with FRICO. It is anticipated that the detention/retention ponds and the irrigation facilities will be owned, operated and maintained by the District.

3. Streets and Traffic Safety Protection. The District shall have the power to provide for the design, acquisition, construction, completion, relocation, installation, and/or operation and maintenance of street improvements, including but not limited to curbs, gutters, culverts, and other drainage facilities, underground conduits, sidewalks, trails, bike paths and pedestrian ways, pedestrian overpasses, retaining walls, bridges, overpasses, underpasses,



interchanges, parking areas, parking facilities, median islands, paving, lighting, grading, landscaping and irrigation, land and easements, and all necessary, incidental, and appurtenant facilities within and without the boundaries of the District as well as for the acquisition, construction, completion, installation, and/or operation and maintenance of facilities and/or services for a system of traffic and safety controls and devices on streets and highways, including but not limited to signalization, signage and striping, area identification, driver information and directional assistance signs, and all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the boundaries of the District, as identified on **Exhibit F** attached hereto. Following acceptance by the City, the City will own, operate and maintain the street improvements constructed by the District with respect to any public streets. The District may only supplement the City's maintenance through a separate agreement with the City. It is anticipated that, following acceptance by the Colorado Department of Transportation ("CDOT"), CDOT will own, operate and maintain the street improvements constructed by the District with respect to any CDOT owned streets. It is anticipated that all streetscaping improvements will be maintained by the District or an owners association.

4. **Parks and Recreation.** The District shall have the power to provide for the design, acquisition, construction, completion, installation, operation and maintenance of parks and recreational facilities and programs including, but not limited to, open space, landscaping, irrigation facilities and all necessary, incidental and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the boundaries of the District. All such parks and recreational facilities will be owned and maintained by the District or by an owners association

5. Transportation. The District shall have the power to provide for the design, acquisition, construction, completion, installation, operation and maintenance of a system to transport the public by bus, rail, or any other means of conveyance, or combination thereof, or pursuant to contract, including park and ride facilities and parking lots, structures, and facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities of systems within and without the boundaries of the District. Following acceptance, it is anticipated that the transportation improvements will be owned, operated and maintained by the City or other agencies designated by the City.

6. Mosquito Control. The District shall have the power to provide for the eradication and control of mosquitoes, including, but not limited to, elimination or treatment of breeding grounds, and purchase, lease, contracting or other use of equipment or supplies for mosquito control.

7. Other Powers. In addition to the enumerated powers, the Board of Directors of the District (“Board”) shall also have the following authority:

a. Plan Amendments. To amend the Service Plan as needed, subject to the appropriate statutory procedures, the City Code and the Service Plan.

b. Phasing, Deferral. Without amending this Service Plan, to defer, forego, reschedule, or restructure the financing and construction of certain improvements and facilities, to better accommodate the actual pace of growth, resource availability, and potential inclusions and exclusions of property within the District.

c. Financing. Any refunding of outstanding bonds of the District which could extend the maturity of such bonds, or increase the total debt service thereon, except

as set forth below, shall be subject to the prior approval of the City of Thornton City Council (“City Council”) as evidenced by a resolution after a public hearing thereon. Costs of issuance associated with any refunding of outstanding bonds shall not be considered an increase in the total debt service. Costs of issuance may include but shall not be limited to legal fees, underwriter fees and discounts, letter of credit fees, including bank commitment fees, reserve funds and costs associated with funding an escrow for refundings (“Issuance Costs”).

d. Additional Services. The District shall not use the power of eminent domain for real property without the prior approval of the City Council. The District shall have the authority pursuant to Section 32-1-1101(1)(f)(I), C.R.S. and Section 32-1-1101(1.5)(a) through (1.5)(e), C.R.S., to divide the District into one or more areas consistent with the services, programs and facilities to be furnished therein. The exercise of such authority shall not be deemed a material modification of this Service Plan when used in relation to the Initial District Boundaries and Future Inclusion Area 1.

**B. Standards of Construction/Statement of Compatibility.**

1. The District's potable water system will be designed, constructed and maintained in accordance with the standards of the City and any other jurisdiction, as appropriate, to the degree they have jurisdiction or oversight. The District's non-potable water system, including the Bull Canal, will be designed, constructed and maintained in accordance with the standards of the City and/or FRICO as appropriate.

2. The wastewater treatment and/or collection facilities will be designed, constructed and maintained in accordance with the standards of the City, and any other applicable local, state or federal rules and regulations.

3. All public streets and traffic safety protection facilities to be dedicated to the City or CDOT will be constructed in accordance with the standards and specifications of the City or CDOT, where applicable.

4. All storm sewers and related facilities will be constructed in accordance with the standards and specifications of the City, with the exception of the Bull Canal which shall be constructed in accordance with the standards and specifications of the City and/or FRICO.

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

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

7. All mosquito eradication and control facilities will be designed, constructed, maintained and operated in accordance with the standards and specifications of the City. The District will request that any party with which it contracts for mosquito eradication and control will obtain the necessary permits from the appropriate jurisdictions.

## **V. NOTICE OF MEETINGS**

The District shall submit a copy of the written notice of every regular or special meeting of the District's Board of Directors to the Office of the City Clerk, by mail, electronically, or by hand, to be received at least seven (7) days prior to such meeting for agenda items relating to

debt issuance/refunding or Service Plan amendments and at least three (3) days prior to such meeting for other agenda items.

## **VI. ASSESSED VALUATION**

The current assessed value of the Property is assumed to be \$-0- for purposes of the Financial Plan. The total overlapping mill levy imposed on the Property for tax collection year 2004 is 135.268.

## **VII. ESTIMATED COSTS OF FACILITIES**

The estimated costs of the Improvements to be designed, constructed, installed and/or acquired by the District is approximately Fifteen Million Nine Hundred Fifty-One Thousand One Hundred Five Dollars (\$15,951,105) for the Initial District Boundaries and Two Million, Seven Hundred Eighteen Thousand One Hundred Sixteen Dollars (\$2,718,116) for Future Inclusion Area 1, as set forth in **Exhibit G**, attached hereto. To the extent that the cost of the Improvements cannot be financed with bond proceeds, the developer shall be required to pay such costs. The District will phase construction of the Improvements in accordance with the build-out of the District such that the properties will produce revenue sufficient to repay the indebtedness of the District. The District anticipates completion of the Improvements in 2005.

## **VIII. OPERATION AND MAINTENANCE / ESTIMATED COSTS**

The District will require operating funds for administration of the District and to plan and cause the Improvements to be constructed and maintained, in addition to the capital costs of the Improvements. The first year's operating budget is estimated to be (\$50,000).

In addition to property taxes, the District may also rely upon various other revenue sources authorized by law and this Service Plan to offset the expenses of capital construction and District management, operations and maintenance. These will include revenues from other governmental entities and developers as well as the power to assess fees, rates, tolls, penalties, or charges as provided in Title 32, Article 1, C.R.S., as amended.

Prior to the District having sufficient revenue to cover its ongoing operations and maintenance expenses, the developers of property within the District will advance funds to the District. The District will have the authority to repay the developers for amounts advanced for operations and maintenance expenses, together with interest thereon, the rate of which shall not exceed the current market rate as determined by an independent underwriter selected by the District.

## **IX. AGREEMENTS**

The District will enter into an intergovernmental agreement with the Thornton Development Authority (“TDA”) whereby the TDA will agree that the portion of revenues which the TDA receives as a result of tax increment revenues which are attributable to the District's current and future levy of *ad valorem* taxes on real and personal property within the area encompassed by the Urban Redevelopment Plan will be segregated by the TDA and paid to the District to be used in the construction and financing of Improvements and for operation and maintenance expenses (“Cooperation Agreement”).

The District will enter into an intergovernmental agreement with the City regarding requirements set forth in this Service Plan as required by the City Code. The District will also enter into an intergovernmental agreement with the TDA whereby the District will agree to

construct certain improvements on behalf of the TDA and the TDA will agree to fund such improvements.

## **X. FINANCIAL PLAN/PROPOSED INDEBTEDNESS**

### **A. General Discussion.**

The Financial Plans attached hereto as **Exhibit H** illustrates how the Improvements and/or services may be financed, including the estimated costs of engineering services, legal services, administrative services, proposed indebtedness and estimated interest rates and discounts, and other major expenses related to the organization and operation of the District. The Financial Plans demonstrate the issuance of the debt and the anticipated repayment based on the projected development in the District's boundaries and that the District has the ability to finance the Improvements identified herein, and will be capable of discharging the proposed indebtedness on a reasonable basis. The Financial Plans set forth a reasonable estimate of growth within the District and allows the Board a measure of flexibility such that the District need not incur debt in excess of what it needs to meet the actual population's demands for Services.

Prior to the issuance of bonds for the Future Inclusion Area 1, the District shall submit revised Public Improvements Cost Estimates for the Future Inclusion Area 1 and a revised Financial Plan for the Future Inclusion Area 1 (to be referred to collectively as the "Financing Program") to the City Council for approval by City Council. Submittal of the Financing Program shall be considered a material modification of the Service Plan requiring a Service Plan Amendment. Once the Financing Program has been approved by the City Council, such approval shall apply to all subsequent issuances, if any, which comply with the approved Financing Program.

**B. General Obligation Bonds.**

The District shall have the authority to issue general obligation bonds, secured by the *ad valorem* taxing authority of the District with the limitations discussed below. For purposes of this Service Plan, all bond issuances shall be described as general obligation bonds. Due to the nature and characterization of the revenues that will be received from the imposition of the District's mill levy through the TDA, any authority provided in this Service Plan to issue general obligation bonds shall also be considered authority to issue revenue bonds. The District may determine to issue general obligation bonds secured by the *ad valorem* taxing authority of the District.

1. Initial District Boundaries. Based upon construction cost estimates and financing cost estimates as computed during the preparation of the Service Plan and the Amendment, up to a total of Fourteen Million Dollars (\$14,000,000) in general obligation bonds may be issued for the Initial District Boundaries. Any issuance of general obligation bonds in excess of Fourteen Million Five Hundred Thousand Dollars (\$14,500,000) for the Initial District Boundaries, exclusive of Issuance Costs, requires a Service Plan amendment prior to issuance. A total maximum amount of Seventeen Million Ninety-Five Thousand Dollars (\$17,095,000) (which includes \$500,000 for Operations and Maintenance) of bonds secured by *ad valorem* taxes or other revenues was authorized by the electors of the Initial District Boundaries ("Initial District Boundaries Debt Authority") of which Thirteen Million Ninety-five Thousand Dollars (\$13,095,000) was authorized at the May 4, 2004 election and Four Million Dollars (\$4,000,000) was authorized at the November 2, 2004 election.

The District has completed its initial issuance of its Bonds in the amount of Ten Million Dollars (\$10,000,000) with proceeds of Eight Million One Hundred Nineteen Thousand (\$8,119,000) with an all-in interest rate of 2.87% comprised of an interest rate of



1.37% and an annual letter of credit fee of 1.5% (“Initial Bonds”). The District will finance the additional public improvements for the Initial District Boundaries through a developer held bond issuance with an anticipated interest rate of eight percent (8%), an anticipated issuance of Three Million Nine Hundred Eighteen Thousand Three Hundred Sixty-Nine Dollars (\$3,918,369) and anticipated proceeds of Three Million Seven Hundred Ninety-Two Thousand Four Hundred Forty-One Dollars (\$3,792,441) (“Additional Bonds”). The Additional Bonds shall be subordinate to the Initial Bonds and any refundings thereof from the date of issuance until such time as the Debt to Assessed Valuation is less than fifty percent (50%). Once the Debt to Assessed Valuation is less than fifty percent (50%) the Additional Bonds may be refinanced or refunded on parity with the Initial Bonds.

2. Future Inclusion Area. Based upon construction cost estimates and financing cost estimates as computed during the preparation of this Service Plan, if Future Inclusion Area 1 is included into the boundaries of the District, up to a total Three Million Five Hundred Thousand Dollars (\$3,500,000) in general obligation bonds may be issued for the Future Inclusion Area 1. Any issuance of general obligation bonds in excess of Three Million Eight Hundred Thousand Dollars (\$3,800,000) for the Future Inclusion Area 1, exclusive of Issuance Costs, require a Service Plan amendment prior to issuance. It is proposed that a total maximum amount of Four Million Seven Hundred Fifty Thousand Dollars (\$4,750,000) of bonds that may be secured by *ad valorem* taxes or other revenues be submitted to the electors of the Future Inclusion Area 1 for their approval at an election following inclusion of Future Inclusion Area 1 into the boundaries of the District (“Future Inclusion Area 1 Debt Authority”). (The Initial District Boundaries Debt Authority and the Future Inclusion Area 1 Debt Authority shall be collectively referred to as the “Debt Authority”).

It is anticipated that the District will finance the public improvements for Future Inclusion Area 1 through a variable rate bond transaction with an anticipated issuance of Three Million Five Hundred Thousand Dollars (\$3,500,000) and anticipated proceeds of Two Million Seven Hundred Ninety-Five Thousand Fifty Six Dollars (\$2,795,056) with a letter of credit provided to secure the liquidity. The anticipated cost of financing including the interest rate and the letter of credit fee is not anticipated to exceed 4% based upon an estimated interest rate of 3.4% and a letter of credit fee of 0.6%.

Initial District organizational expenses for legal, engineering, administrative and debt issuance costs and amounts expended on design and construction of Improvements will be eligible for reimbursement from the bond proceeds. The amount to be voted exceeds the amount of bonds anticipated to be sold, as shown in the Financial Plans, to allow for unforeseen contingencies and increases in construction costs due to inflation, and to cover all Issuance Costs. Such limitations shall not be applicable to refunding of the bonds authorized to be issued hereunder.

The maximum voted interest rate is estimated at twelve percent (12%) and the maximum underwriting discount is three percent (3%). The exact interest rates, term and discounts will be determined at the time the bonds are sold by the District, and will reflect market conditions at the time of sale. The District may also issue notes, certificates, debentures or other evidences of indebtedness, including, but not limited to, contracts that extend beyond one year, on parity with or subordinate to bonds issued pursuant to the Debt Authority, subject to the limitations set forth herein.

**C. Mill Levy Cap.**

The District may assess a mill levy on all taxable property within the District as a source of revenue for repayment of debt service of any general obligation bonds that are issued

by the District. Interest income through the reinvestment of construction funds, capitalized interest, and annual tax receipts will provide additional funds for repayment. These revenue sources should be sufficient to retire the proposed indebtedness if growth occurs as projected; otherwise, increases in the mill levy and/or the imposition of rates, tolls, fees, and charges may be necessary; but in no event shall the debt service mill levy exceed the Mill Levy Cap, subject to the terms of the following paragraph.

For purposes of this Section, "Debt to Assessed Valuation" shall mean the ratio of (i) the District's total outstanding general obligation debt, including the bonds proposed to be issued, to (ii) the District's assessed valuation; and "Mill Levy Cap" shall mean the mill levy pledged for repayment of bonds or other obligations shall not exceed fifty (50) mills, with adjustments as described hereafter. For any portion of its bonds or other outstanding general obligation debt to which property tax revenues are pledged as payment ("Debt") with respect to which the Debt to Assessed Valuation is fifty percent (50%) or greater, the District's obligation to impose a mill levy for the payment thereof shall be subject to the Mill Levy Cap. For any portion of its Debt with respect to which the Debt to Assessed Valuation is less than fifty percent (50%), the District is permitted to impose a mill levy for the payment thereof that shall not be subject to the Mill Levy Cap. Further, in the event the method of calculating assessed valuation is changed after the date of approval of this Service Plan by any change in law, change in method of calculation, or in the event of any legislation or constitutionally mandated tax credit, cut or abatement, the Mill Levy Cap herein provided may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board of Directors 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 Cap, as adjusted, are neither diminished nor enhanced as the result of such change.

Once any portion of the District's Debt has been determined to be not subject to the Mill Levy Cap, the District is entitled to pledge to its payment an unlimited *ad valorem* mill levy and the District may provide that such Debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent reduction in the assessed valuation of the District.

**D. Cost Summary and Bond Development.**

The Financial Plans reflect the estimated amount of bonds to be sold and fees to be imposed to finance the acquisition, construction, completion, and/or installation of the proposed Improvements, including all costs and expenses related to the anticipated bond issuances. The amount of bonds actually sold will be based upon the final engineering estimates and/or actual construction contracts. Organizational costs, including, but not limited to, legal fees, and capitalized engineering costs, are anticipated to be paid from bond proceeds. In the event the District is unable to finance the design, acquisition and construction of all of the Improvements through the issuance of bonds, the Developer shall make contributions sufficient to cover any shortfall. The interest rates as set forth in the Financial Plans are based upon the advice of RBC Dain Rauscher.

The Financial Plans project the anticipated flow of funds, including specific ownership taxes, and is based upon the estimated construction costs and projected need for bond proceeds to finance the proposed Improvements. The Financial Plans set forth a reasonable estimate of growth within the Development. The Financial Plans assume that the 2004 assessed valuation for the property within the District is Zero Dollars (\$0). The projected build-out for the District are set forth in the Financial Plans prepared by RBC Dain Rauscher.

The City and the TDA shall not be held liable for any of the District's obligations as set forth in this Service Plan.

**E. Economic Viability.**

The Financial Plan illustrates the estimated income and expenses for the District over a thirty (30) year period presuming issuance of one series of bonds maturing within thirty (30) year period. The analysis reflects a total build-out period of four (4) years for the development and a total mill levy of twenty-five (25) mills. It is also assumed that the increase in assessed valuation from new construction will be realized one year after construction and that tax collections will be realized two years after such construction. The Financial Plans contained in this Service Plan demonstrates the economic viability of the District.

**XI. DISSOLUTION**

The District shall take all action necessary to dissolve, pursuant to C.R.S. § 32-1-701 et seq., upon an independent determination of the City Council that the purposes for which the District was created have been accomplished whereupon City Council shall adopt a resolution, after a public hearing thereon, stating that the District shall be dissolved; provided however, that the District shall not be dissolved until all of the District's outstanding debt obligations have been discharged.

**XII. CONSOLIDATION**

The District shall not file a request pursuant to C.R.S. 32-1-101 et seq. with the Adams County District Court to consolidate with any other special district without the prior written approval of the City Council.

### **XIII. ANNUAL REPORT**

The District shall be responsible for submitting an annual report to the City within one hundred eighty (180) days from the conclusion of the District's fiscal year. The District's fiscal year shall end on December 31. The content of the annual report shall include information as to the following matters which occurred during the year:

- a. A certificate of compliance with the City Code.
- b. Intergovernmental Agreements with other governmental bodies entered into or proposed.
- c. Submission of current assessed valuation in the District.
- d. Copies of any filings made pursuant to SEC Rule 15(c)2-12.
- e. Meeting Notices.

In addition, the District shall provide, as soon as available, a copy of the District's audit or the District's financial statements for the previous year.

### **XIV. CONCLUSION**

It is submitted that this Service Plan for the Larkridge Metropolitan District No. 1 establishes that:

- A. There is sufficient existing and projected need for organized service in the area to be serviced by the District;
- B. The existing service in the area to be served by the District is inadequate for present and projected needs;
- C. The District is capable of providing economical and sufficient service to the area within its proposed boundaries;

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

E. Adequate service is not, and will not be, available to the area through the City or County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;

F. The facility and service standards of the District are compatible with the facility and service standards of the City within which the special district is to be located and each municipality which is an interested party under Section 32-1-204(1), Colorado Revised Statutes;

G. The proposal is in substantial compliance with a master plan adopted pursuant to Section 30-28-106, C.R.S.; and

H. The proposal is in compliance with any duly adopted City, regional, or state long-range water quality management plan for the area; and

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

**EXHIBIT A-1**

**Legal Description of the Initial District Boundaries**





**Matrix Design Group, Inc.**  
Integrated Design Solutions

1601 Blake Street, Suite 200  
Denver, Colorado 80202  
(303) 572-0200 Tel  
(303) 572-0202 Fax  
www.matrixdesigngroup.com

(LEGAL DESCRIPTION)  
(DISTRICT ONE)

A PARCEL OF LAND SITUATED IN PART OF THE EAST ONE-HALF OF SECTION 3 AND THE NORTHWEST ONE-QUARTER OF SECTION 2, TOWNSHIP ONE SOUTH, RANGE 68 WEST OF THE 6<sup>TH</sup> PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF SAID SECTION 3; THENCE SOUTH 00°21'00" WEST, ALONG THE EAST LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 3, A DISTANCE OF 88.01 FEET;

THENCE NORTH 86°52'38" EAST A DISTANCE OF 30.05 FEET TO THE BEGINNING OF A NON-TANGENT 1357.50 FOOT RADIUS CURVE WHOSE CENTER BEARS SOUTH 05°54'45" WEST;

THENCE SOUTHEASTERLY, ALONG SAID CURVE AND THE SOUTHWESTERLY LINE OF STATE HIGHWAY "7", THROUGH A CENTRAL ANGLE OF 18°56'14" AN ARC DISTANCE OF 448.68 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREIN AFTER DESCRIBED;

1) THENCE CONTINUE ALONG THE PREVIOUS CURVE, THROUGH A CENTRAL ANGLE OF 21°11'48" AN ARC DISTANCE OF 502.14 FEET TO THE POINT OF REVERSE CURVATURE WITH A NON-TANGENT 1357.50 FOOT RADIUS CURVE WHOSE CENTER BEARS NORTH 49°00'41" EAST;

2) THENCE SOUTHEASTERLY, ALONG SAID CURVE AND THE SOUTHWESTERLY LINE OF STATE HIGHWAY "7", THROUGH A CENTRAL ANGLE OF 2°24'21" AN ARC DISTANCE OF 57.00 FEET;

3) THENCE NON-TANGENT TO THE LAST DESCRIBED CURVE SOUTH 37°33'30" EAST, ALONG THE SOUTHWESTERLY LINE OF STATE HIGHWAY "7", A DISTANCE OF 292.00 FEET;

4) THENCE SOUTH 35°29'35" EAST, ALONG THE SOUTHWESTERLY LINE OF STATE HIGHWAY "7", A DISTANCE OF 2041.83 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 2, SAID POINT BEING NORTH 89°55'20" WEST A DISTANCE OF 365.64 FEET FROM THE CENTER OF SAID SECTION 2;

5) THENCE NORTH 89°55'20" WEST, ALONG THE SOUTH LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 2, A DISTANCE OF 2283.46 FEET TO THE WEST ONE-QUARTER CORNER OF SAID SECTION 2;

6) THENCE NORTH 89°39'04" WEST, ALONG THE SOUTH LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 3, A DISTANCE OF 50.00 FEET;

7) THENCE SOUTH 00°21'15" WEST A DISTANCE OF 60.20 FEET;

8) THENCE NORTH 90°00'00" WEST A DISTANCE OF 670.58 FEET;

9) THENCE SOUTH 45°00'00" WEST A DISTANCE OF 50.53 FEET;

10) THENCE SOUTH 00°00'00" EAST A DISTANCE OF 278.58 FEET;

Denver

Colorado Springs

- 11) THENCE NORTH 90°00'00" WEST A DISTANCE OF 987.41 FEET TO THE EASTERLY LINE OF INTERSTATE "25" AS MONUMENTED;
- 12) THENCE NORTH 22°25'51" EAST, ALONG SAID EASTERLY LINE, A DISTANCE OF 415.28 FEET TO THE SOUTH LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 3;
- 13) THENCE NORTH 89°39'04" WEST, ALONG SAID SOUTH LINE, A DISTANCE OF 2.18 FEET TO THE EASTERLY LINE OF INTERSTATE "25" AS MONUMENTED;
- 14) THENCE NORTH 22°30'40" EAST, ALONG SAID EASTERLY LINE, A DISTANCE OF 1031.40 FEET;
- 15) THENCE SOUTH 65°55'59" EAST A DISTANCE OF 11.07 FEET;
- 16) THENCE NORTH 24°04'01" EAST A DISTANCE OF 17.14 FEET TO A TANGENT 1155.00 FOOT RADIUS CURVE WHOSE CENTER BEARS SOUTHEASTERLY;
- 17) THENCE NORTHERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 31°13'05" AN ARC DISTANCE OF 629.31 FEET;
- 18) THENCE NORTH 55°17'06" EAST A DISTANCE OF 618.26 FEET TO A TANGENT 411.00 FOOT RADIUS CURVE WHOSE CENTER BEARS NORTHWESTERLY;
- 19) THENCE NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 52°30'30" AN ARC DISTANCE OF 376.66 FEET;
- 20) THENCE NORTH 02°46'36" EAST A DISTANCE OF 165.36 FEET;
- 21) THENCE SOUTH 86°45'09" EAST A DISTANCE OF 100.42 FEET;
- 22) THENCE SOUTH 87°13'57" EAST A DISTANCE OF 136.82 FEET;
- 23) THENCE SOUTH 80°50'17" EAST A DISTANCE OF 328.53 FEET TO THE **POINT OF BEGINNING**;

THE ABOVE DESCRIBED PARCEL ENCOMPASSES 5,768,992.12 SQUARE FEET OR 132.438 ACRES OF LAND, MORE OR LESS, AND IS SUBJECT TO ALL EASEMENTS AND ENCUMBRANCES OF RECORD. A GRAPHICAL DEPICTION OF THE ABOVE DESCRIBED PROPERTY IS ATTACHED HERETO AS AN AID IN THE VISUAL INTERPRETATION OF THE WRITTEN DOCUMENT.

  
ROBERT L. MEADOWS JR., PLS 34977

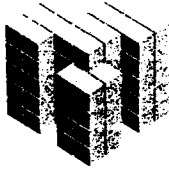
PREPARED ON BEHALF OF  
MATRIX DESIGN GROUP, INC.

Matrix Design Group, Inc. 2003©



**EXHIBIT A-2**

**Legal Description of the Future Incision Area 1**



**Matrix Design Group, Inc.**  
Integrated Design Solutions

1601 Blake Street, Suite 200  
Denver, Colorado 80202  
(303) 572-0200 Tel  
(303) 572-0202 Fax  
www.matrixdesigngroup.com

**EXHIBIT "A"**  
(LEGAL DESCRIPTION)  
(DISTRICT ONE FUTURE INCLUSION AREA #1)

A PARCEL OF LAND SITUATED IN PART OF THE SOUTHWEST ONE-QUARTER OF SECTION 2, TOWNSHIP ONE SOUTH, RANGE 68 WEST OF THE 6<sup>TH</sup> PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE WEST ONE-QUARTER CORNER OF SAID SECTION 2;

- 1) THENCE SOUTH 00°21'15" WEST, ALONG THE WEST LINE OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 2, A DISTANCE OF 651.00 FEET;
- 2) THENCE SOUTH 89°55'20" EAST, PARALLEL WITH THE NORTH LINE OF THE SOUTHWEST ONE-QUARTER OF SECTION 2, A DISTANCE OF 1270.00 FEET;
- 3) THENCE NORTH 00°21'15" EAST, PARALLEL WITH THE WEST LINE OF THE SOUTHWEST ONE-QUARTER OF SECTION 2, A DISTANCE OF 651.00 FEET TO THE NORTH LINE OF SAID SOUTHWEST ONE-QUARTER OF SECTION 2;
- 4) THENCE NORTH 89°55'20" WEST, ALONG SAID NORTH LINE, A DISTANCE OF 1270.00 FEET TO THE POINT OF BEGINNING;

THE ABOVE DESCRIBED PARCEL ENCOMPASSES 826,760.40 SQUARE FEET OR 18.980 ACRES OF LAND MORE OR LESS AND IS SUBJECT TO ALL EASEMENTS AND ENCUMBRANCES OF RECORD. A GRAPHICAL DEPICTION OF THE ABOVE DESCRIBED PROPERTY IS ATTACHED HERETO AS AN AID IN THE VISUAL INTERPRETATION OF THE WRITTEN DOCUMENT.

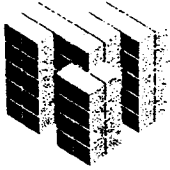
  
ROBERT L. MEADOWS JR., PLS 34977

PREPARED ON BEHALF OF  
MATRIX DESIGN GROUP, INC.



**EXHIBIT A-3**

**Legal Description of the Future Inclusion Area 2**



**Matrix Design Group, Inc.**  
Integrated Design Solutions

1601 Blake Street, Suite 200  
Denver, Colorado 80202  
(303) 572-0200 Tel  
(303) 572-0202 Fax  
www.matrixdesigngroup.com

(LEGAL DESCRIPTION)  
(DISTRICT ONE FUTURE INCLUSION AREA # 2)

A PARCEL OF LAND SITUATED IN PART OF THE NORTHEAST ONE-QUARTER SECTION 3, TOWNSHIP ONE SOUTH, RANGE 68 WEST OF THE 6<sup>TH</sup> PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF SAID SECTION 3; THENCE SOUTH 00°21'00" WEST, ALONG THE EAST LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 3, A DISTANCE OF 88.01 FEET;

THENCE NORTH 86°52'38" EAST A DISTANCE OF 30.05 FEET TO THE BEGINNING OF A NON-TANGENT 1357.50 FOOT RADIUS CURVE WHOSE CENTER BEARS SOUTH 05°54'45" WEST;

THENCE SOUTHEASTERLY, ALONG SAID CURVE AND THE SOUTHWESTERLY LINE OF STATE HIGHWAY "7", THROUGH A CENTRAL ANGLE OF 18°56'14" AN ARC DISTANCE OF 448.68 FEET;

THENCE CONTINUE ALONG THE PREVIOUS CURVE, THROUGH A CENTRAL ANGLE OF 21°11'48" AN ARC DISTANCE OF 502.14 FEET TO THE POINT OF REVERSE CURVATURE WITH A NON-TANGENT 1357.50 FOOT RADIUS CURVE WHOSE CENTER BEARS NORTH 49°00'41" EAST;

THENCE SOUTHEASTERLY, ALONG SAID CURVE AND THE SOUTHWESTERLY LINE OF STATE HIGHWAY "7", THROUGH A CENTRAL ANGLE OF 2°24'21" AN ARC DISTANCE OF 57.00 FEET;

THENCE NON-TANGENT TO THE LAST DESCRIBED CURVE SOUTH 37°33'30" EAST, ALONG THE SOUTHWESTERLY LINE OF STATE HIGHWAY "7", A DISTANCE OF 292.00 FEET;

THENCE SOUTH 35°29'35" EAST, ALONG THE SOUTHWESTERLY LINE OF STATE HIGHWAY "7", A DISTANCE OF 2041.83 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 2, SAID POINT BEING NORTH 89°55'20" WEST A DISTANCE OF 365.64 FEET FROM THE CENTER OF SAID SECTION 2;

THENCE NORTH 89°55'20" WEST, ALONG THE SOUTH LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 2, A DISTANCE OF 2283.46 FEET TO THE WEST ONE-QUARTER CORNER OF SAID SECTION 2;

THENCE NORTH 89°39'04" WEST, ALONG THE SOUTH LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 3, A DISTANCE OF 50.00 FEET;

THENCE SOUTH 00°21'15" WEST A DISTANCE OF 60.20 FEET;

THENCE NORTH 90°00'00" WEST A DISTANCE OF 670.58 FEET;

THENCE SOUTH 45°00'00" WEST A DISTANCE OF 50.53 FEET;

THENCE SOUTH 00°00'00" EAST A DISTANCE OF 278.58 FEET;

THENCE NORTH 90°00'00" WEST A DISTANCE OF 987.41 FEET TO THE EASTERLY LINE OF

Denver

Colorado Springs

INTERSTATE "25" AS MONUMENTED;

THENCE NORTH 22°25'51" EAST, ALONG SAID EASTERLY LINE, A DISTANCE OF 415.28 FEET TO THE SOUTH LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 3;

THENCE NORTH 89°39'04" WEST, ALONG SAID SOUTH LINE, A DISTANCE OF 2.18 FEET TO THE EASTERLY LINE OF EASTERLY LINE OF INTERSTATE "25" AS MONUMENTED;

THENCE NORTH 22°30'40" EAST, ALONG SAID EASTERLY LINE, A DISTANCE OF 1031.40 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREINAFTER DESCRIBED;

1) THENCE SOUTH 65°55'59" EAST A DISTANCE OF 11.07 FEET;

2) THENCE NORTH 24°04'01" EAST A DISTANCE OF 17.14 FEET TO A TANGENT 1155.00 FOOT RADIUS CURVE WHOSE ENTER BEARS SOUTHEASTERLY;

3) THENCE NORTHERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 31°13'05" AN ARC DISTANCE OF 629.31 FEET;

4) THENCE NORTH 55°17'06" EAST A DISTANCE OF 618.26 FEET TO A TANGENT 411.00 FOOT RADIUS CURVE WHOSE CENTER BEARS NORTHWESTERLY;

5) THENCE NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 52°30'30" AN ARC DISTANCE OF 376.66 FEET;

6) THENCE NORTH 02°46'36" EAST A DISTANCE OF 165.36 FEET;

7) THENCE SOUTH 86°45'09" EAST A DISTANCE OF 100.42 FEET;

8) THENCE SOUTH 87°13'57" EAST A DISTANCE OF 136.82 FEET;

9) THENCE SOUTH 80°50'17" EAST A DISTANCE OF 328.53 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF STATE HIGHWAY "7" AND A 1357.50 FOOT RADIUS CURVE WHOSE CENTER BEARS SOUTH 24°50'59" WEST;

10) THENCE NORTHWESTERLY, ALONG SAID CURVE AND RIGHT-OF-WAY LINE, THROUGH A CENTRAL ANGLE OF 18°56'14" AN ARC DISTANCE OF 448.68 FEET;

11) THENCE SOUTH 86°52'38" WEST A DISTANCE OF 30.05 FEET TO THE EAST LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 3;

12) THENCE SOUTH 00°21'00" WEST, ALONG SAID EAST LINE, A DISTANCE OF 1.65 FEET;

13) THENCE SOUTH 71°26'30" WEST A DISTANCE OF 112.40 FEET;

14) THENCE NORTH 85°53'30" WEST A DISTANCE OF 325.80 FEET;

15) THENCE SOUTH 35°29'30" WEST A DISTANCE OF 148.88 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF INTERSTATE "25";

Matrix Design Group, Inc. 2003©



- 16) THENCE SOUTH 23°37'55" WEST, ALONG SAID EASTERLY LINE, A DISTANCE OF 462.70 FEET;
- 17) THENCE SOUTH 37°09'25" WEST, ALONG SAID EASTERLY LINE, A DISTANCE OF 215.80 FEET;
- 18) THENCE SOUTH 31°38'40" WEST, ALONG SAID EASTERLY LINE, A DISTANCE OF 118.30 FEET;
- 19) THENCE SOUTH 32°43'55" WEST, ALONG SAID EASTERLY LINE, A DISTANCE OF 445.00 FEET;
- 20) THENCE SOUTH 22°30'40" WEST, ALONG SAID EASTERLY LINE, A DISTANCE OF 184.78 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIBED PARCEL ENCOMPASSES 365,833.67 SQUARE FEET OR 8.398 ACRES OF LAND, MORE OR LESS, AND IS SUBJECT TO ALL EASEMENTS AND ENCUMBRANCES OF RECORD. A GRAPHICAL DEPICTION OF THE ABOVE DESCRIBED PROPERTY IS ATTACHED HERETO AS AN AID IN THE VISUAL INTERPRETATION OF THE WRITTEN DOCUMENT.

  
ROBERT L. MEADOWS JR., PLS 34977

PREPARED ON BEHALF OF  
MATRIX DESIGN GROUP, INC.



Matrix Design Group, Inc. 2003©

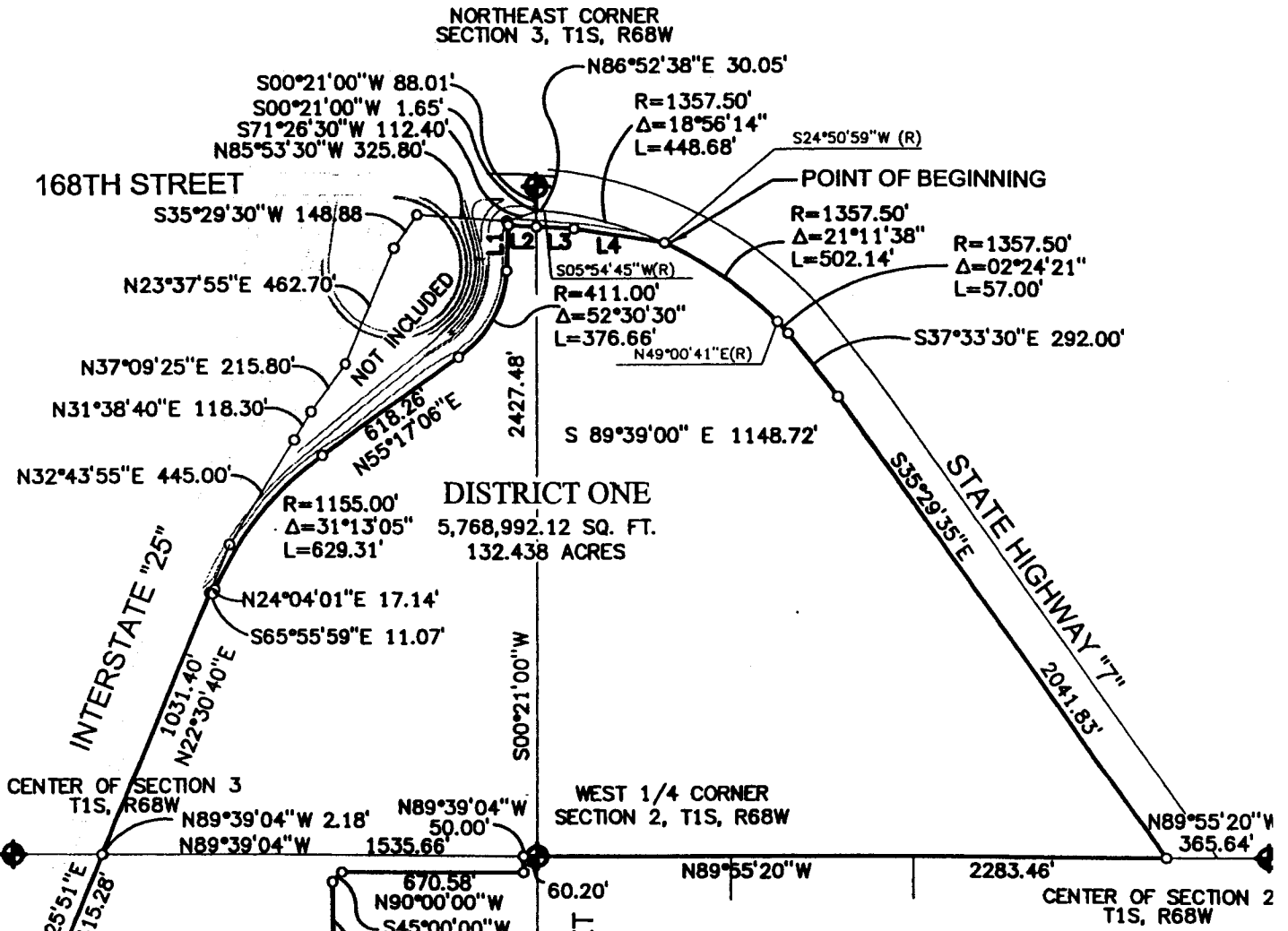
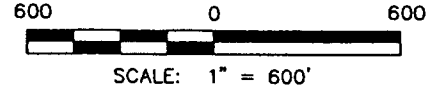




**EXHIBIT B-1**

**District Map of the Initial District Boundaries**

# EXHIBIT "B"



**DISTRICT ONE**  
5,768,992.12 SQ. FT.  
132.438 ACRES

TABULATED DATA

	BEARING	DIST.
L1	N02°46'36"E	165.36'
L2	S86°45'09"E	100.42'
L3	S87°13'57"E	136.82'
L4	S80°50'17"E	328.53'

*Signature*



**DISTRICT 1**

DATE: FEBRUARY 05, 2004  
PAGE 3 OF 3

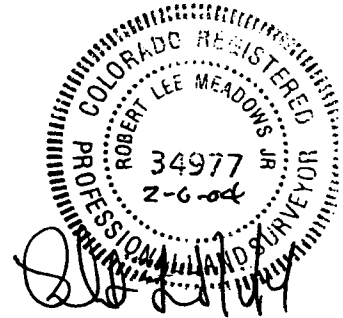


**Matrix Design Group, Inc.**  
Integrated Design Solutions  
1601 Blake Street, Suite 200  
Denver, CO 80202

**EXHIBIT B-2**

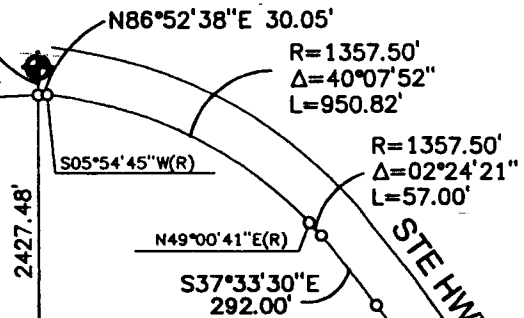
**District Map of the Future Inclusion Area 1**

EXHIBIT "B"



168TH STREET

NORTHEAST CORNER SECTION 3, T1S, R68W

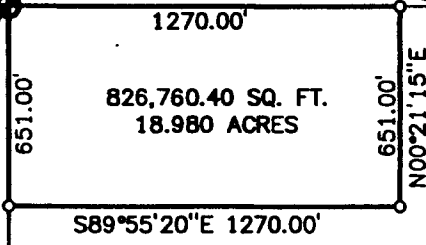


INTERSTATE "25"

CENTER OF SECTION 3 T1S, R68W

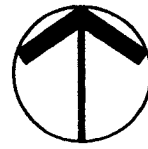
WEST 1/4 CORNER SECTION 2, T1S, R68W

POINT OF BEGINNING

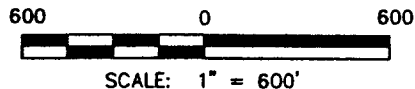


CENTER OF SECTION 2 T1S, R68W

DISTRICT ONE FUTURE INCLUSION AREA # 1



NORTH



DISTRICT 1 FUTURE INCLUSION AREA # 1

160TH STREET

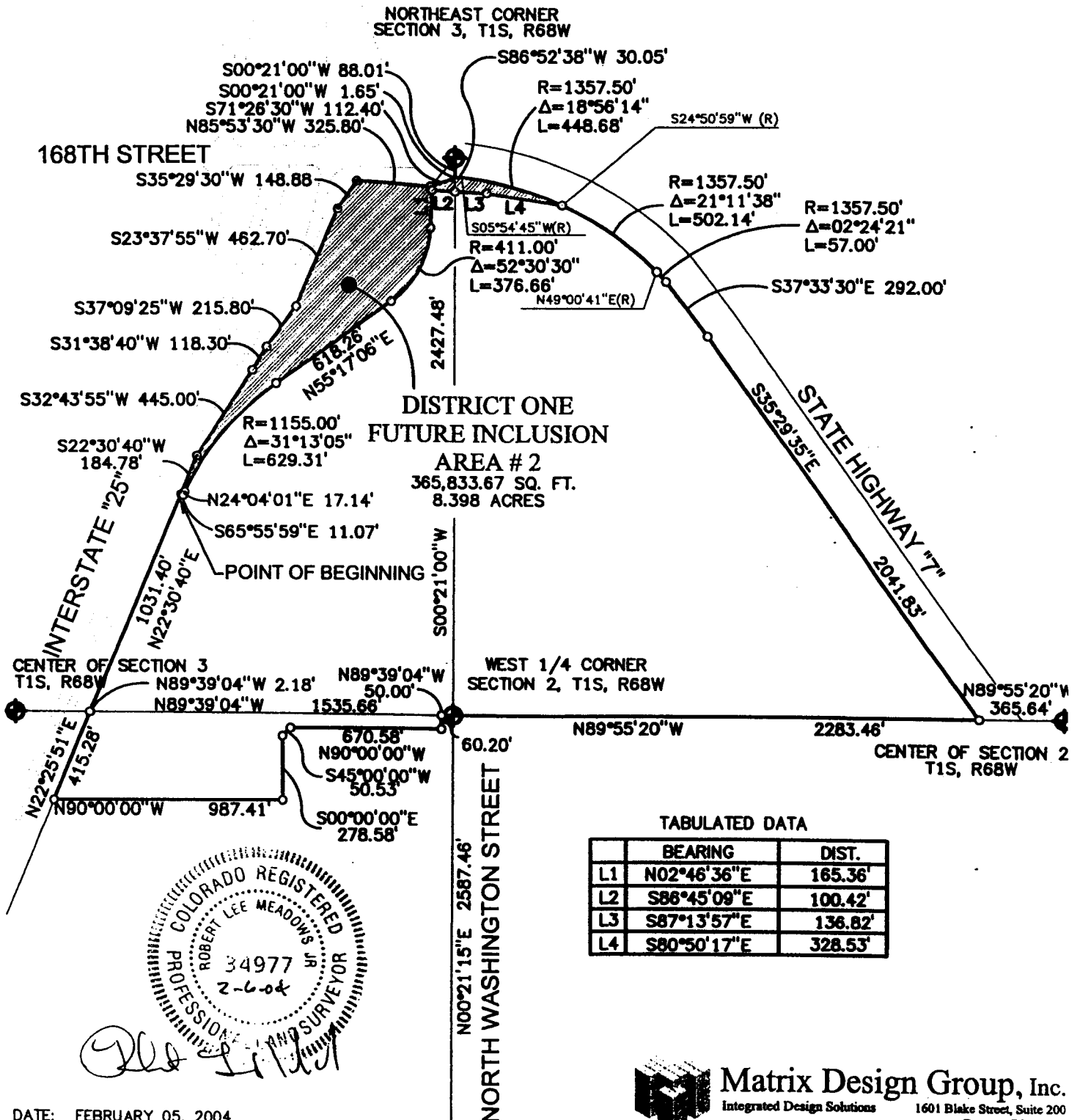
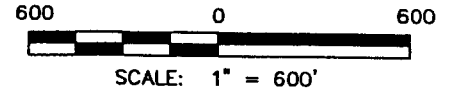
SOUTHWEST CORNER SECTION 2, T1S, R68W

NORTH WASHINGTON STREET

**EXHIBIT B-3**

**District Map of the Future Inclusion Area 2**

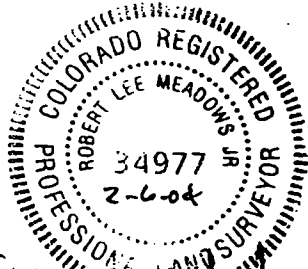
EXHIBIT "B"  
 DISTRICT 1 FUTURE INCLUSION AREA # 2



**DISTRICT ONE  
 FUTURE INCLUSION  
 AREA # 2**  
 365,833.67 SQ. FT.  
 8.398 ACRES

TABULATED DATA

	BEARING	DIST.
L1	N02°46'36"E	165.36'
L2	S86°45'09"E	100.42'
L3	S87°13'57"E	136.82'
L4	S80°50'17"E	328.53'



*Robert Lee Meadows*

DATE: FEBRUARY 05, 2004  
 PAGE 4 OF 4



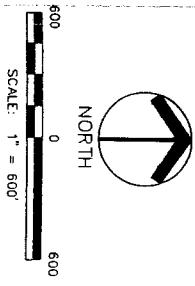
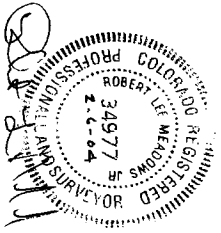
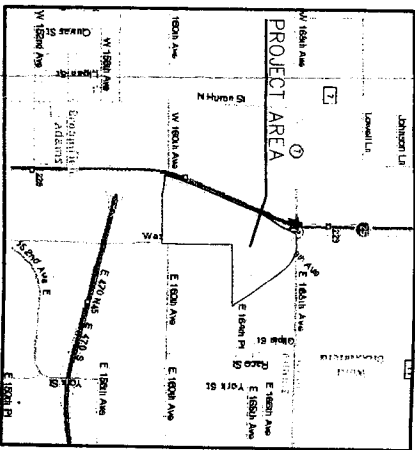
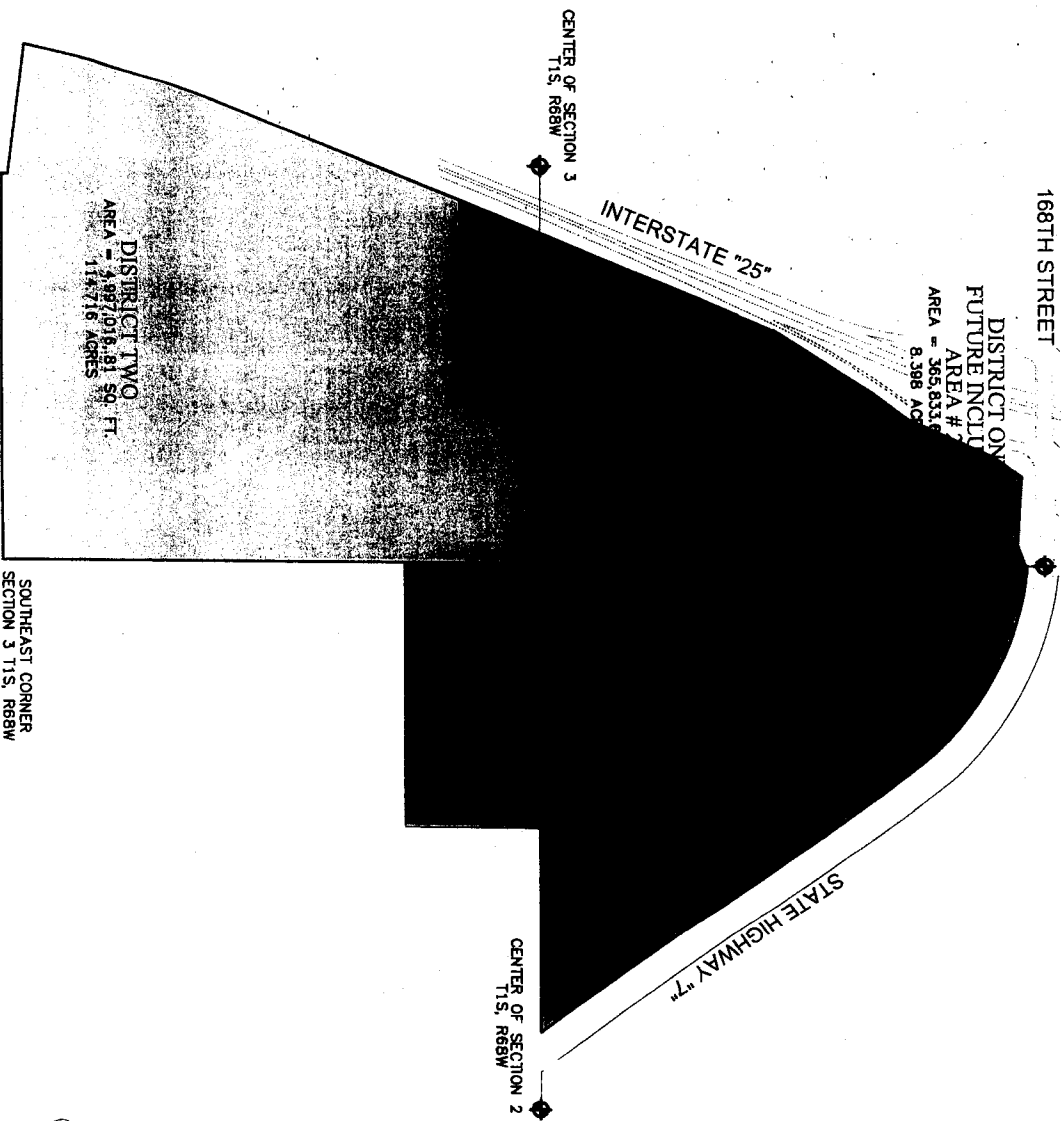
**Matrix Design Group, Inc.**  
 Integrated Design Solutions

1601 Blake Street, Suite 200  
 Denver, CO 80202  
 Phone 303-572-0200  
 Fax 303-572-0202

**EXHIBIT C**

**Vicinity Map**

EXHIBIT OF DISTRICT PARCELS



DISTRICTS 1 & 2

DATE: FEBRUARY 05, 2004  
PAGE: 1 OF 1  
C:\Documents and Settings\joe\_jr\desktop\Map Documents\Matrix\Project\Yuma\_Design\Districts\_Submitted\_2.dwg



**EXHIBIT D**

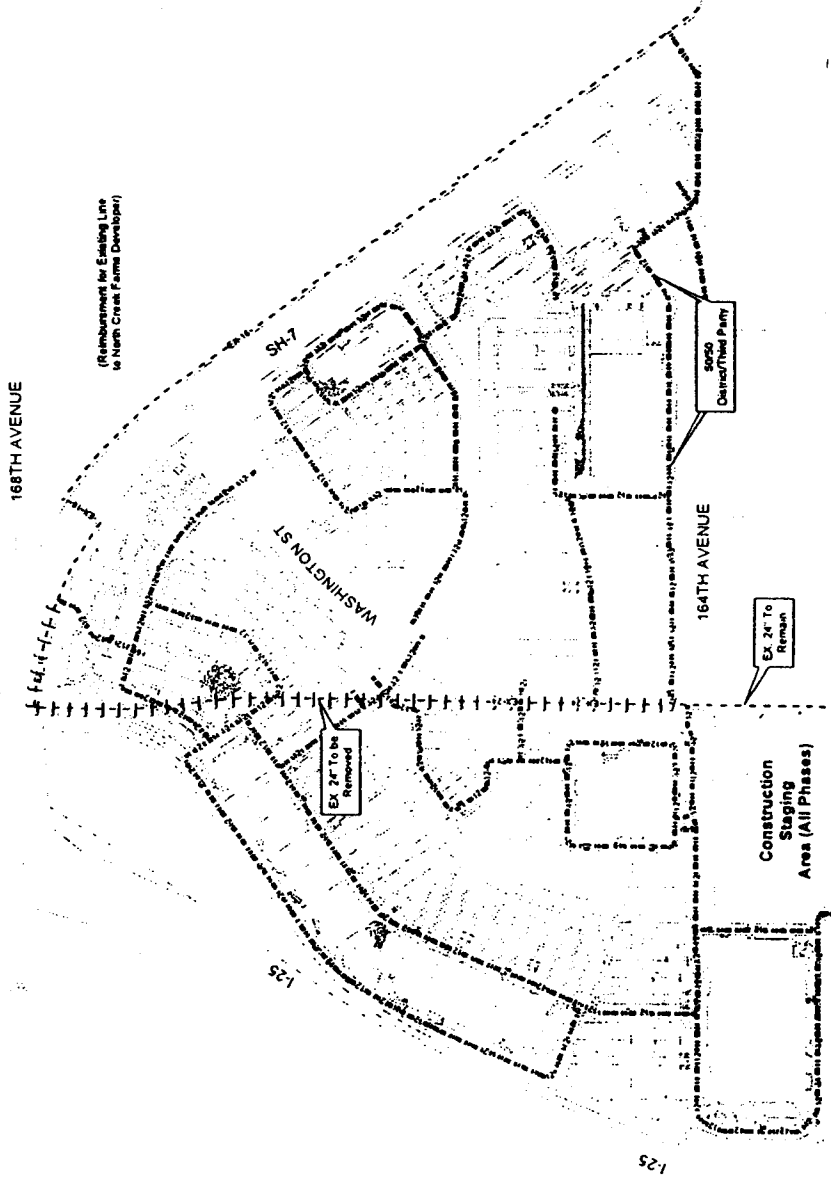
**Water Improvements**

**Legend**

- Larkridge Metro District Funded Improvement
- - - Existing Utility



○



**LARKRIDGE METRO DISTRICT NO. 1  
SERVICE PLAN EXHIBIT A-4  
WATER**

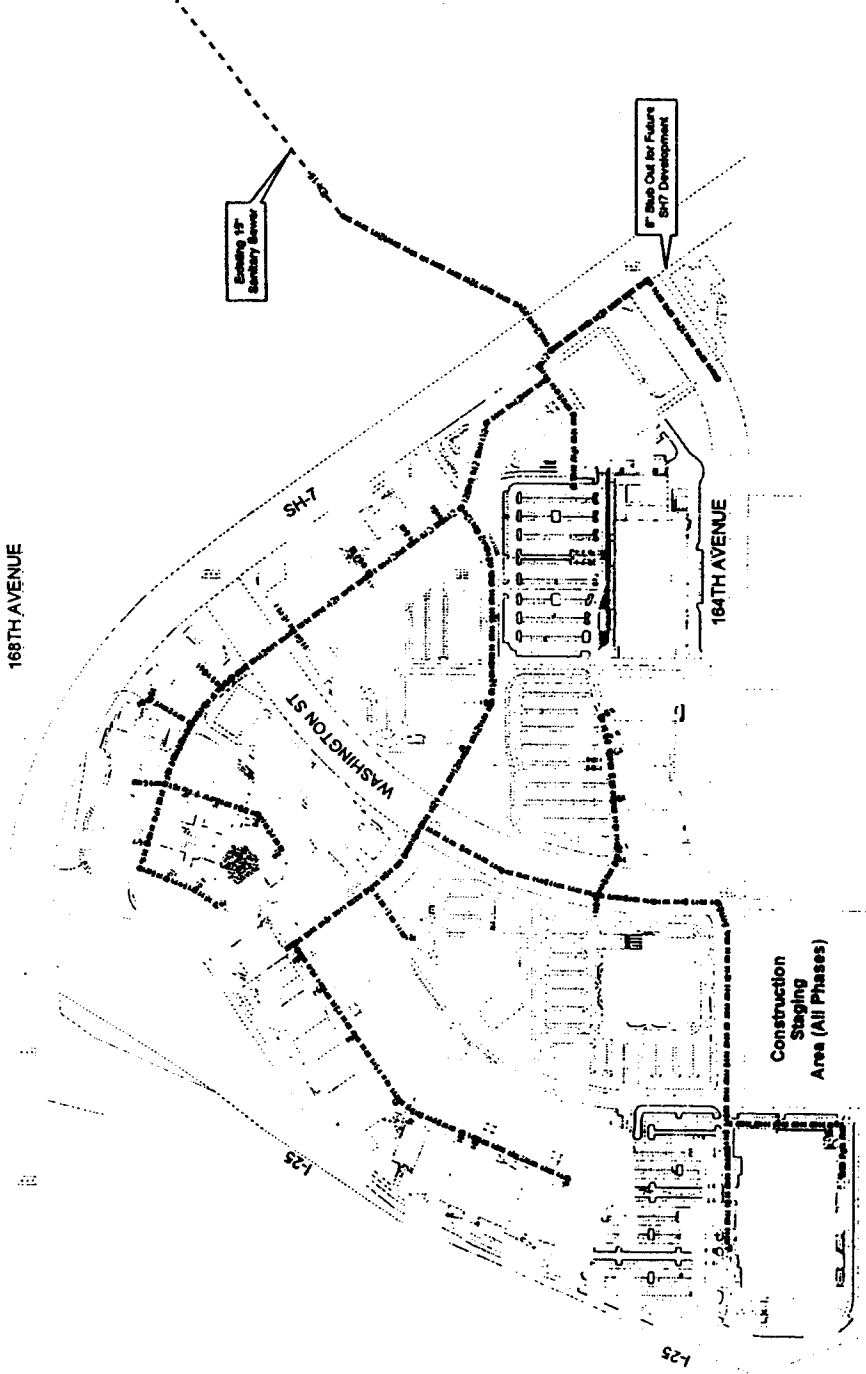
**Matrix Design Group**  
January 25, 2005

**EXHIBIT E**

**Wastewater Improvements**

**Legend**

- Manhole
- ▬ Larkridge Metro District Funded Improvement
- - - Existing Utility



**LARKRIDGE METRO DISTRICT NO. 1  
SERVICE PLAN EXHIBIT A-2  
SANITARY SEWER**

**Matrix Design Group, Inc.**  
January 25, 2005

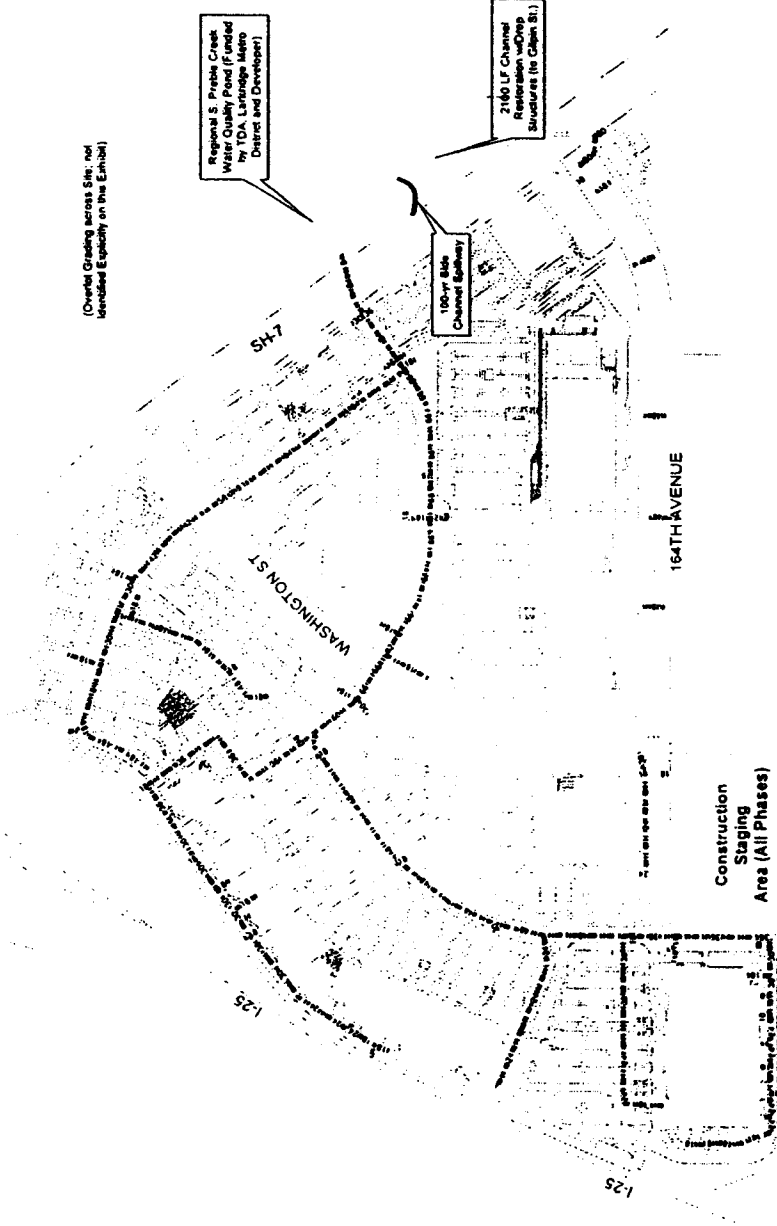


**Legend**

168TH AVENUE Larkridge Metro District Funded Improvement



168TH AVENUE



(Overlaid Grading across Site; not Identified Explicitly on the Exhibit)

Regional S. Prairie Creek Water Quality Pond (Funded by TDA, Larkridge Metro District and Developer)

100-yr Site Channel (Gateway)

2160 LF Channel for Regional Stormwater Structures (for Cabin S.I.)

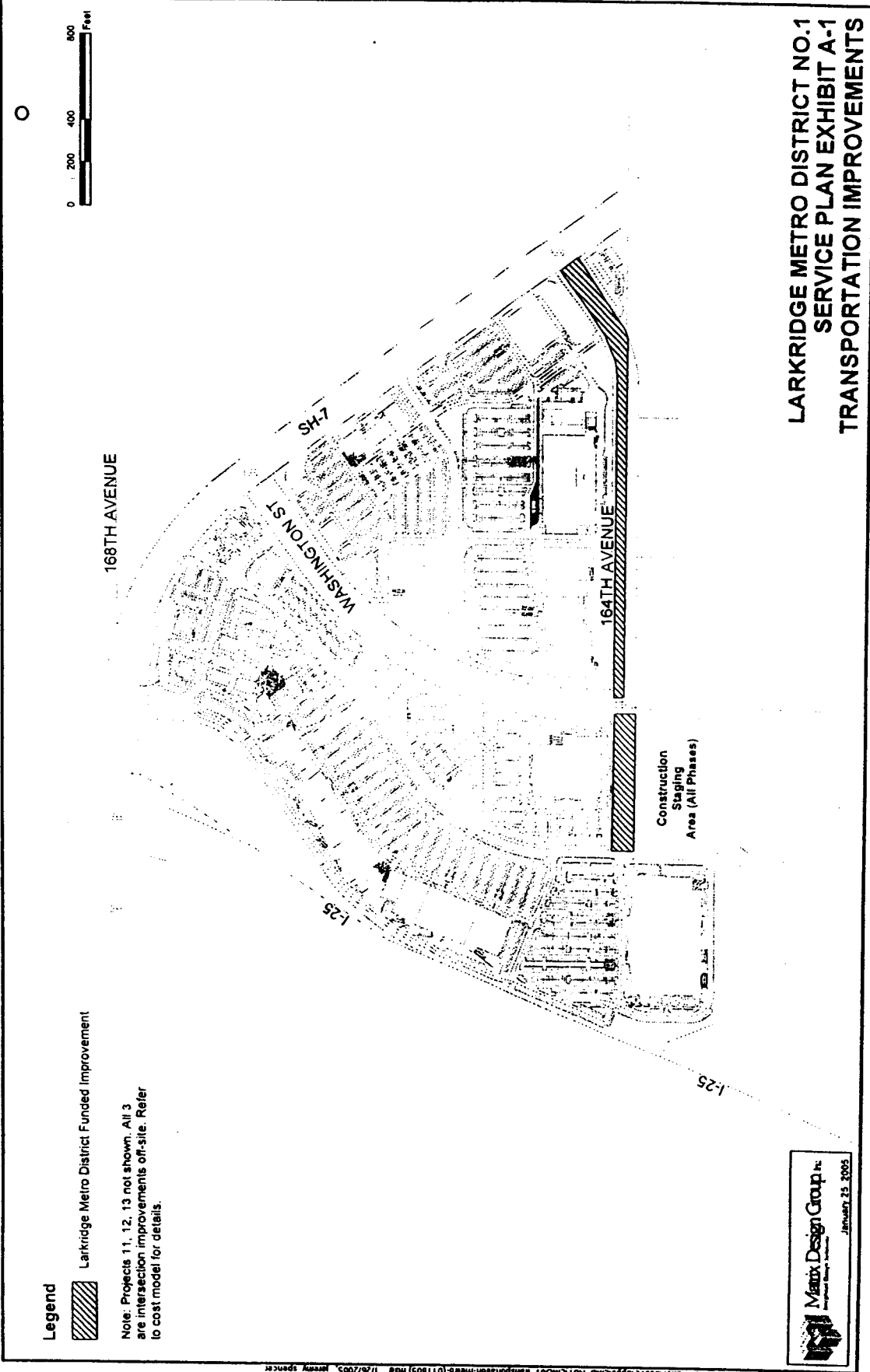
Construction Staging Area (All Phases)

**LARKRIDGE METRO DISTRICT NO. 1  
SERVICE PLAN EXHIBIT A-3  
STORMWATER**


Matrix Design Group, Inc.  
January 25, 2005

**EXHIBIT F**

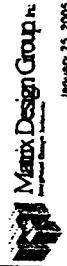
**Street and Traffic Safety Protection Improvements**



**LARKRIDGE METRO DISTRICT NO. 1  
SERVICE PLAN EXHIBIT A-1  
TRANSPORTATION IMPROVEMENTS**

**Legend**  
 Larkridge Metro District Funded Improvement

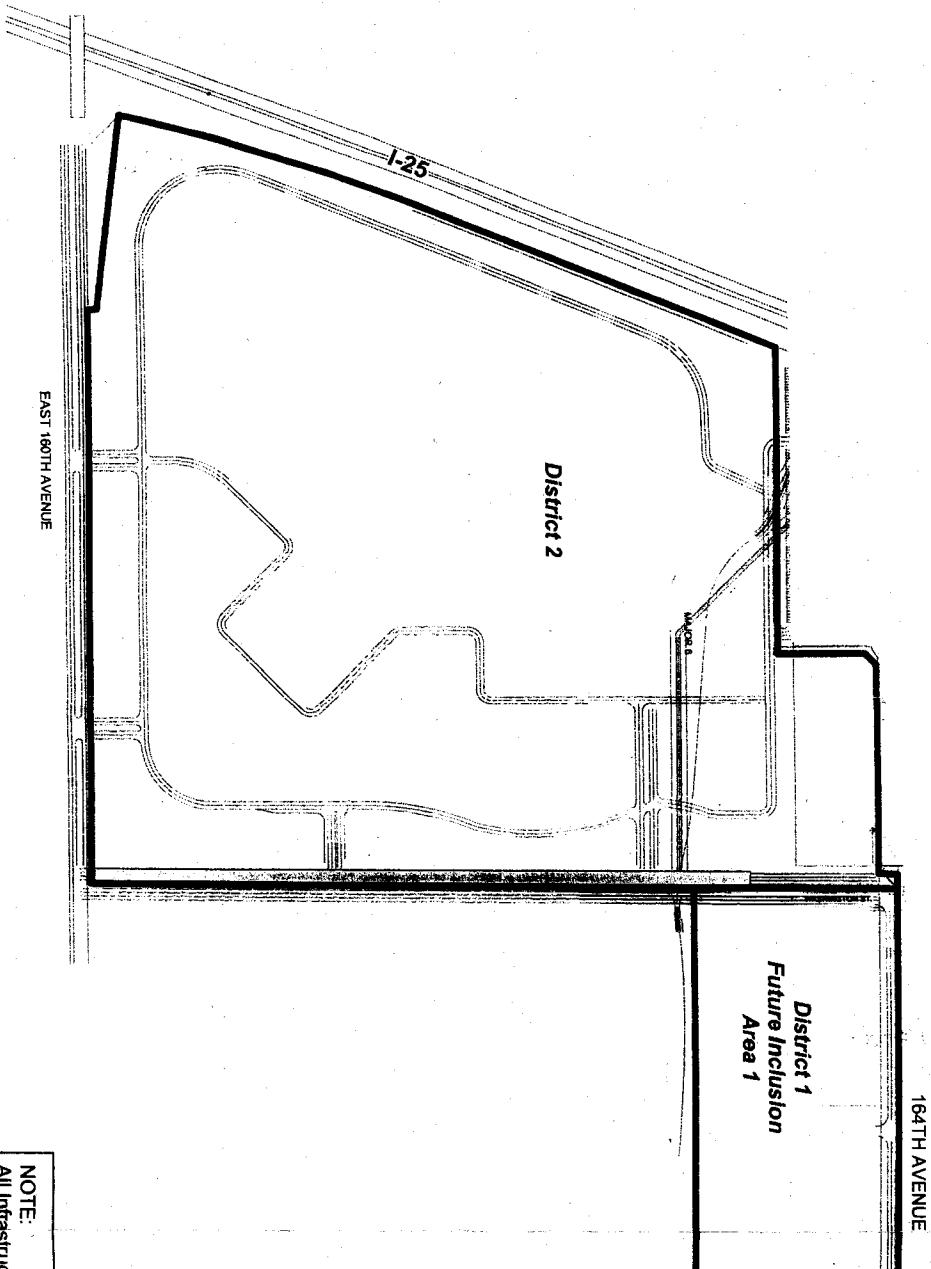
Note: Projects 11, 12, 13 not shown. All 3 are intersection improvements off-site. Refer to cost model for details.



**Matrix Design Group, Inc.**  
 January 25, 2005







**Legend**

- Constructed by Larkridge Metropolitan District No. 2
- District Boundaries

**NOTE:**  
 All Infrastructure is Shown for Conceptual Level Cost Projections Only. Sizes and Costs are Subject to Change During Preliminary Design.

**Larkridge Metropolitan District  
 Phase 2 Roadway Infrastructure**



January 29, 2004

**EXHIBIT G**

**Public Improvements Costs Estimates**

## Larkridge Metropolitan District Cost Summary

Draft Review and Comment: August 25, 2004

Project ID	PROJECT	LARKRIDGE METRO DISTRICT COST (BUDGETED)
<b>Original Service Plan Costs Dated 2-24-2004</b>		
Transportation		
1	164th Avenue - SH7 to Home Depot Entrance: 4 Lane Section	\$ 430,340
2	164th Avenue - SH7 to Washington: 2 Lane Section	\$ 599,655
3	164th Avenue - Washington to Sears Site	\$ 564,381
Water		
4	12" Water Line - West of Washington Street	\$ 501,072
5	12" Water Line - East of Washington Street	\$ 299,417
Sanitary Sewer		
6	12" Sanitary Sewer	\$ 225,450
7	8" Sanitary Sewer	\$ 226,944
8	8" Sanitary Sewer	\$ 68,040
Storm Drainage		
9	Incentive Agreement/Regional 50/50 S. Preble Creek Detention Pond No. 1	\$ 187,500
10	Incentive Agreement/Regional 50/50 Detention Pond No. 1 Outfall	\$ 8,964
11	Kirkendall Land Acquisition (Regional Pond)	\$ 94,090
12	18" Storm Sewer Inlet Laterals in 164th Avenue	\$ 17,928
13	36" Storm Sewer in 164th Avenue	\$ 6,912
14	Bull Canal Relocation Box Culvert	\$ 1,485,000
15	Bull Canal Relocation Transition Structure	\$ 100,000
16	Phase 1 Overlot Grading	\$ 600,000
	ADD: Contingency (20%)	\$ 1,083,138
SUB-TOTAL		\$ 6,496,831
ADD: Soft Costs (24%)		\$ 1,559,719
Original Service Plan TOTAL		\$ 8,056,550

<b>Additional Service Plan Costs (pending available funding)</b>		
Transportation		
17	Signals at Washington & 164th	\$ 80,000
18	Signals at Washington & Entrance Road	\$ 160,000
19	Common-Area Circulation Roads	\$ 1,050,000
Water		
20	16" Water Line	\$ 5,782
21	16" Water Line Crossing SH-7	\$ 9,169
22	8" Water Line	\$ 15,914
23	North Creek Farms Water Main Reimbursement	\$ 139,506
Sanitary Sewer		
24	12" Sanitary Sewer - Stub-out from Washington & 164th	\$ 24,300
Storm Drainage		
	Incentive Agreement/Regional 50/50 S. Preble Creek Prairie Channel	\$ 495,000
25	Enhancements	\$ 262,500
26	Regional/Thornton S. Preble Creek Drop Structure Completion	\$ 9,936
27	48" Storm Sewer in 164th Avenue	\$ 8,748
28	54" Storm Sewer Stub-out	\$ 33,966
29	18" Storm Sewer	\$ 7,074
30	18" Storm Sewer	\$ 210,384
31	24" Storm Sewer	\$ 68,310
32	30" Storm Sewer	\$ 47,810
33	30" Storm Sewer	\$ 166,320
34	36" Storm Sewer	\$ 57,132
35	36" Storm Sewer	\$ 37,044
36	42" Storm Sewer	\$ 306,342
37	54" Storm Sewer	\$ 73,080
38	60" Storm Sewer	\$ 37,818
39	72" Storm Sewer	\$ 85,968
40	72" Storm Sewer	\$ 157,482
41	78" Storm Sewer	\$ 135,072
42	84" Storm Sewer	\$ 1,619,680
Street and Traffic Safety Protection		
43	Common-Area Site Landscaping and Monumentation Signage	\$ 1,060,827
	ADD: Contingency (20%)	\$ 6,364,964
SUB-TOTAL		\$ 1,527,591
ADD: Soft Costs (24%)		\$ 7,892,555
Additional Costs TOTAL		\$ 7,892,555

**GRAND TOTAL - LARKRIDGE METRO DISTRICT SERVICE PLAN \$ 15,951,105**

Note: Cost estimates for the Original Service Plan have been modified and updated according to the current engineering designs. The cost estimates herein represent the current designs, and do not match the Original Service Plan costs due to changes in quantity and design.

**EXHIBIT H**

**Financial Plans**

Larkridge Metropolitan District 1  
 LOC Bonds and Subordinate Bonds  
 7/13/2005 - Amended Service Plan Numbers  
 Financing Summary

Bond Issue Summary Information	
Gross Bond Proceeds	\$10,000,000
Issuance Costs	\$250,000
Letter of Credit Upfront Commitment Fee @ .50%	\$50,625
Debt Service Reserve Fund	\$628,338
Capitalized Interest	\$1,101,520
Capitalized Interest @ 4.00%	\$7,869,517
Capitalized Interest Requirement	3 Years
Capitalized Interest Reinvestment Rate	1.00%
Principal	\$10,000,000
Interest	\$6,660,421
Letter of Credit Fee	\$1,867,772
Total Debt Service	\$18,528,192
Less: Capitalized Interest (Principal & Interest Earnings @ 1.00%)	(1,205,625)
Less: DSR (Principal & Interest Earnings @ 4.00%)	(1,306,942)
Total Net Debt Service	\$16,015,625
Maximum Annual Net Debt Service	\$620,844
Interest Rate	2.50% - 3.25%
Annual Letter of Credit Fee	1.50% - 0.75%
All-In Interest Rate	4.00%
Term	30 Years
Principal	\$3,918,369
Interest @ 8%	\$15,407,886
Total Debt Service	\$19,326,265

Tax & Growth Assumptions	
Total Mill Levy (Operations & Debt Service)	25.000
Property Value Appreciation Rate (Biennial)	10.00%
Property Value Appreciation Rate Duration	2005 thru 2033
Commercial Assessment Rate	29.00%
Development Assumptions	
Total Commercial Sq Ft	999,843
Average Market Value Per Sq Ft (2004 Values)	78
Total Market Value	77,758,051
Total Assessed Value	22,549,835
Average Market Value Per Sq Ft (Inflated @ 5% to Completion Date)	85
Total Market Value	84,648,066
Total Assessed Value	24,547,939

Larkridge Metropolitan District 1  
 LOC Bonds and Subordinate Bonds  
 7/13/2005 - Amended Service Plan Numbers  
 Development Detail

Code	Description	Category	Type	Year Completed	TH SF	2004 MV SF	Inflated MV SF	5.00% TH Mkt Value	Inflated TH Mkt Value
M1	Major 4	Major	Commercial	2005	114,700	\$66.00	\$69.30	7,570,200	7,948,710
M2	Major 1	Major	Commercial	2005	172,958	\$66.00	\$69.30	11,415,228	11,985,989
M3	Major 3	Major	Commercial	2006	88,248	\$66.00	\$72.77	5,824,368	6,421,366
M4	Major 2	Major	Commercial	2007	100,000	\$66.00	\$76.40	6,600,000	7,640,325
M5	SM - 1	Major	Commercial	2005	21,964	\$94.00	\$98.70	2,064,616	2,167,847
M6	SM - 8	Major	Commercial	2005	33,862	\$77.00	\$80.85	2,607,374	2,737,743
M7	SM - 6	Major	Commercial	2005	25,748	\$85.00	\$89.25	2,186,580	2,286,009
M8	SM - 9	Major	Commercial	2006	30,000	\$72.00	\$78.38	2,180,000	2,381,400
M9	SM - 7	Major	Commercial	2008	35,084	\$61.00	\$67.25	2,140,734	2,360,159
M10	SM - 4	Major	Commercial	2005	19,107	\$85.00	\$89.25	1,624,095	1,705,300
M11	SM - 3	Major	Commercial	2005	20,000	\$72.00	\$75.60	1,440,000	1,512,000
M12	SM - 2	Major	Commercial	2005	10,800	\$92.00	\$96.60	993,600	1,043,280
M13	SM - 9	Major	Commercial	2007	15,000	\$72.00	\$83.35	1,080,000	1,250,235
M14	SM - 10	Major	Commercial	2007	23,000	\$72.00	\$83.35	1,656,000	1,917,027
M15	SM - 11	Major	Commercial	2007	28,000	\$72.00	\$83.35	2,016,000	2,333,772
M16	SM - 12	Major	Commercial	2006	10,000	\$72.00	\$78.38	720,000	793,800
M17	SM - 13	Major	Commercial	2006	12,000	\$58.00	\$63.95	696,000	767,340
M18	SM - 14	Major	Commercial	2006	35,350	\$72.00	\$78.38	2,545,200	2,806,083
P1	Pad Site A	Pad Site	Commercial	2005	6,300	\$138.00	\$144.90	868,400	912,870
P2	Pad Site B	Pad Site	Commercial	2005	3,600	\$138.00	\$144.90	496,800	521,640
P3	Pad Site C	Pad Site	Commercial	2005	4,500	\$138.00	\$144.90	621,000	652,050
P4	Pad Site D	Pad Site	Commercial	2006	4,000	\$138.00	\$152.15	552,000	606,580
P5	Pad Site E	Pad Site	Commercial	2006	4,500	\$138.00	\$152.15	621,000	664,653
P6	Pad Site F	Pad Site	Commercial	2006	8,000	\$138.00	\$152.15	1,104,000	1,217,160
P7	Pad Site G	Pad Site	Commercial	2007	8,000	\$138.00	\$159.75	1,104,000	1,276,018
P8	Pad Site H	Pad Site	Commercial	2007	8,000	\$138.00	\$189.75	1,104,000	1,276,018
P9	Pad Site I	Pad Site	Commercial	2005	4,000	\$138.00	\$144.90	552,000	578,600
P10	Pad Site J	Pad Site	Commercial	2006	6,000	\$138.00	\$152.15	828,000	912,870
P11	Pad Site K	Pad Site	Commercial	2005	2,412	\$138.00	\$144.90	332,856	349,499
P12	Pad Site L	Pad Site	Commercial	2005	4,000	\$138.00	\$144.90	552,000	578,600
P13	Pad Site M	Pad Site	Commercial	2006	10,300	\$138.00	\$152.15	1,421,400	1,567,094
I1	Building # 1	Inline	Commercial	2006	6,000	\$94.00	\$103.64	564,000	621,810
I2	Building # 2	Inline	Commercial	2006	6,600	\$94.00	\$103.64	620,400	683,991
I3	Building # 3	Inline	Commercial	2005	6,400	\$94.00	\$98.70	601,600	631,680
I4	Building # 4	Inline	Commercial	2005	6,000	\$94.00	\$98.70	564,000	592,200
I5	Building # 5	Inline	Commercial	2006	6,800	\$94.00	\$103.64	639,200	704,718
I6	Building # 6	Inline	Commercial	2006	6,600	\$94.00	\$103.64	620,400	683,991
I7	Building # 7	Inline	Commercial	2005	6,800	\$94.00	\$98.70	639,200	671,160
I8	Building # 8	Inline	Commercial	2005	6,000	\$94.00	\$98.70	564,000	592,200
I9	Building # 9	Inline	Commercial	2005	6,000	\$94.00	\$98.70	564,000	592,200
I10	Building # 10	Inline	Commercial	2005	11,000	\$94.00	\$98.70	1,034,000	1,085,700
I11	Building # 11	Inline	Commercial	2005	7,200	\$94.00	\$98.70	676,800	710,640
I12	Building # 12	Inline	Commercial	2007	16,000	\$94.00	\$108.82	1,504,000	1,741,068
I13	Building # 13	Inline	Commercial	2007	16,000	\$94.00	\$108.82	1,504,000	1,741,068
I14	Building # 14	Inline	Commercial	2006	8,000	\$94.00	\$103.64	752,000	828,080
I15	Building # 15	Inline	Commercial	2006	15,000	\$94.00	\$103.64	1,410,000	1,554,525
Commercial Total					999,843	77,777	\$84.66	77,758,051	84,648,066
Total					999,843	77,777	\$84.66	77,758,051	84,648,066

Larkridge Metropolitan District 1  
 LOC Bonds and Subordinate Bonds  
 7/13/2005 - Amended Service Plan Numbers  
 Development Summary

Type	Category	Square Footage					Total
		2003	2004	2005	2006	2007	
Commercial	Inline		49,400	49,000	32,000		130,400
	Major		419,139	210,692	166,000		795,831
	Pad Site		24,812	32,800	16,000		73,612
<b>Commercial Total</b>			<b>493,351</b>	<b>292,492</b>	<b>214,000</b>		<b>999,843</b>

Type	Category	2004 Market Value Per Square Foot					Total
		2003	2004	2005	2006	2007	
Commercial	Inline		94	94	86		94
	Major		71	67	68		70
	Pad Site		138	138	138		138
<b>Commercial Total</b>			<b>77</b>	<b>79</b>	<b>77</b>		<b>78</b>

Type	Category	2004 Market Value					Total
		2003	2004	2005	2006	2007	
Commercial	Inline		4,643,600	4,606,000	3,009,000		12,257,600
	Major		29,903,693	14,096,302	11,352,000		55,341,995
	Pad Site		3,424,056	4,526,400	2,208,000		10,158,456
<b>Commercial Total</b>			<b>37,971,349</b>	<b>23,218,702</b>	<b>16,569,000</b>		<b>77,758,051</b>

Type	Category	Inflated Market Value Per Square Foot					Total
		2003	2004	2005	2006	2007	
Commercial	Inline		99	104	109		103
	Major		79	74	79		75
	Pad Site		145	152	180		151
<b>Commercial Total</b>			<b>81</b>	<b>88</b>	<b>90</b>		<b>85</b>

Type	Category	Inflated Market Value					Total
		2003	2004	2005	2006	2007	
Commercial	Inline		4,875,760	5,078,115	3,482,136		13,436,031
	Major		31,398,878	15,530,148	13,141,359		60,070,385
	Pad Site		3,595,259	4,990,356	2,556,036		11,141,651
<b>Commercial Total</b>			<b>39,869,897</b>	<b>25,598,619</b>	<b>19,179,531</b>		<b>84,648,066</b>



Lakridge Metropolitan District 1  
 LOC Bonds and Subordinate Bonds  
 7/13/2005 - Amended Service Plan Numbers  
 Cash Flow Analysis

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Property Tax Information</b>											
Beginning Commercial Mkt Value	-	-	39,889,916	65,468,535	81,194,920	91,194,920	100,314,412	100,314,412	100,314,412	110,345,853	110,345,853
Additions	-	-	39,869,916	25,596,619	19,179,531	-	9,119,492	-	10,031,441	-	11,034,585
Reassessment Appreciation	-	-	10,000	6,546,854	10,000	-	10,000	-	10,000	-	10,000
Appreciation Rate %	-	-	10.00%	10.00%	10.00%	-	10.00%	-	10.00%	-	10.00%
Ending Commercial Mkt Value	-	-	39,889,916	65,468,535	81,194,920	91,194,920	100,314,412	100,314,412	110,345,853	110,345,853	121,380,438
Commercial Market Value for Assessed Value	-	-	39,889,916	65,468,535	81,194,920	91,194,920	100,314,412	100,314,412	110,345,853	110,345,853	121,380,438
Commercial Assessment %	-	-	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%
Commercial Assessed Value	-	-	11,562,276	20,884,483	28,446,527	29,091,179	29,091,179	29,091,179	32,000,297	32,000,297	35,200,327
Total Assessed Value	-	-	11,562,276	20,884,483	28,446,527	29,091,179	29,091,179	29,091,179	32,000,297	32,000,297	35,200,327
Debt Service Mill Levy	-	-	26.000	26.000	23.109	23.281	23.281	23.281	23.438	23.438	23.580
Commercial Property Tax Revenue (1yr Lag)	-	-	289,057	522,112	611,163	677,279	677,279	677,279	750,007	750,007	750,007
Property Tax Revenue	-	-	289,087	522,112	611,163	677,279	677,279	677,279	750,007	750,007	750,007
Specific Ownership Tax @ 6.00%	-	-	17,343	31,327	36,879	40,637	40,637	40,637	45,960	45,960	45,960
<b>Total Available Revenue</b>	-	-	306,430	553,439	647,833	717,916	717,916	717,916	795,967	795,967	795,967
Beginning Principal Balance	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	9,920,000	9,790,000	9,655,000	9,460,000
Interest Rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	3.25%	3.25%	3.25%	3.25%
LOC Fee	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	0.75%	0.75%	0.75%	0.75%	0.75%
Principal	83,333	250,000	250,000	250,000	250,000	325,000	325,000	322,400	318,175	313,788	307,450
Interest	50,625	151,875	151,875	151,875	151,875	75,938	75,938	75,330	74,343	73,318	71,837
Capitalized Interest	(133,968)	(401,875)	(401,875)	(401,875)	(267,917)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)
<b>Net Debt Service</b>	-	-	133,848	376,804	458,894	488,894	488,894	488,894	566,972	566,972	644,163
Coverage Ratio	-	-	2.29	1.47	1.42	1.43	1.43	1.43	1.43	1.43	1.43
Revenue After DIS	-	-	172,442	177,634	182,029	216,320	216,320	216,320	238,036	238,036	240,855
Beginning Principal Balance	3,918,369	3,918,369	3,918,369	3,918,369	3,918,369	3,918,369	3,792,433	3,666,497	3,535,931	3,415,088	3,291,930
Principal	50,625	151,875	151,875	151,875	151,875	75,938	75,938	75,330	74,343	73,318	71,837
Interest	(133,968)	(401,875)	(401,875)	(401,875)	(267,917)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)
<b>Net Debt Service</b>	-	-	133,848	376,804	458,894	488,894	488,894	488,894	566,972	566,972	644,163
Coverage Ratio	-	-	2.29	1.47	1.42	1.43	1.43	1.43	1.43	1.43	1.43
Revenue After DIS	-	-	172,442	177,634	182,029	216,320	216,320	216,320	238,036	238,036	240,855
Operating Mill Levy	-	-	1.891	1.719	1.719	1.719	1.719	1.719	1.862	1.862	1.420
Commercial Property Tax Revenue (1yr Lag)	-	-	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Operating Property Tax Revenue	-	-	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Total Mill Levy	-	-	26.000	26.000	25.000	25.000	25.000	25.000	25.000	25.000	25.000
<b>Cash Balance Summary</b>											
Beginning Cash Balance	-	-	-	-	-	172,442	173,156	173,628	174,566	175,289	176,537
Deposits - Revenue After DIS	-	-	-	-	172,442	714	672	736	723	1,248	1,111
Developer Advances	-	-	-	-	-	-	-	-	-	-	-
Developer Repayments	-	-	-	-	-	-	-	-	-	-	-
D/S Transfers	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	-	-	-	-	172,442	173,156	173,628	174,566	175,289	176,537	177,648
<b>LOC Bonus Proceeds</b>											
LOC Bonus Proceeds	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Costs of Issuance	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Letter of Credit Upfront Commitment Fee @ .50%	50,625	50,625	50,625	50,625	50,625	50,625	50,625	50,625	50,625	50,625	50,625
Debt Service Reserve Fund	628,338	628,338	628,338	628,338	628,338	628,338	628,338	628,338	628,338	628,338	628,338
Capitalized Interest (Net Funded)	1,101,520	1,101,520	1,101,520	1,101,520	1,101,520	1,101,520	1,101,520	1,101,520	1,101,520	1,101,520	1,101,520
Project Funds	7,969,517	7,969,517	7,969,517	7,969,517	7,969,517	7,969,517	7,969,517	7,969,517	7,969,517	7,969,517	7,969,517

Lantridge Metropolitan District 1  
 LOC Bonds and Subordinate Bonds  
 7/13/2005 - Amended Service Plan Numbers  
 Cash Flow Analysis

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Property Tax Information:</b>											
Beginning Commercial Mkt Value	121,380,438	121,380,438	133,518,482	133,518,482	146,870,331	146,870,331	161,557,364	161,557,364	177,713,100	177,713,100	195,484,410
Additions	-	12,138,044	-	13,351,848	-	14,687,033	-	16,155,736	-	17,771,310	-
Reassessment Appreciation	-	10,000%	-	10,000%	-	10,000%	-	10,000%	-	10,000%	-
Ending Commercial Mkt Value	121,380,438	133,518,482	133,518,482	146,870,331	146,870,331	161,557,364	161,557,364	177,713,100	177,713,100	195,484,410	195,484,410
Commercial Market Value for Assessed Value	121,380,438	133,518,482	133,518,482	146,870,331	146,870,331	161,557,364	161,557,364	177,713,100	177,713,100	195,484,410	195,484,410
Commercial Assessment %	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%
Commercial Assessed Value	35,200,327	38,720,360	38,720,360	42,592,396	42,592,396	46,851,635	46,851,635	51,536,799	51,536,799	56,690,479	56,690,479
Total Assessed Value	35,200,327	38,720,360	38,720,360	42,592,396	42,592,396	46,851,635	46,851,635	51,536,799	51,536,799	56,690,479	56,690,479
Debt Service Mill Levy	33.680	33.769	33.769	33.828	33.828	33.933	33.933	34.038	34.038	34.143	34.148
Commercial Property Tax Revenue (1yr Lag)	830,008	830,008	918,009	918,009	1,014,810	1,014,810	1,121,291	1,121,291	1,238,420	1,238,420	1,367,262
Property Tax Revenue	830,008	830,008	918,009	918,009	1,014,810	1,014,810	1,121,291	1,121,291	1,238,420	1,238,420	1,367,262
Specific Ownership Tax @ 0.00%	48,800	48,800	58,081	58,081	69,888	69,888	87,877	87,877	108,366	108,366	128,038
<b>Total Debt Service Revenue</b>	<b>878,808</b>	<b>878,808</b>	<b>976,090</b>	<b>976,090</b>	<b>1,084,698</b>	<b>1,084,698</b>	<b>1,209,168</b>	<b>1,209,168</b>	<b>1,346,786</b>	<b>1,346,786</b>	<b>1,495,300</b>
<b>Capitalized Debt Service</b>	<b>8,290,000</b>	<b>8,990,000</b>	<b>8,710,000</b>	<b>8,420,000</b>	<b>8,115,000</b>	<b>7,800,000</b>	<b>7,470,000</b>	<b>7,130,000</b>	<b>6,775,000</b>	<b>6,405,000</b>	<b>6,020,000</b>
Beginning Principal Balance	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
Interest Rate	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
LOC Fee	270,000	280,000	290,000	305,000	315,000	330,000	340,000	355,000	370,000	385,000	400,000
Principal	300,950	292,175	283,075	273,650	263,738	253,500	242,775	231,725	220,166	208,163	195,650
Interest	70,318	68,268	66,142	63,939	61,823	59,823	56,725	54,143	51,448	48,638	45,714
Capitalized Interest	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)
DSR Fund @ 4.00%	618,138	618,308	614,083	617,456	616,227	617,598	614,367	616,738	616,602	616,467	616,231
<b>Net Debt Service</b>	<b>1,43</b>	<b>1,43</b>	<b>1,58</b>	<b>1,58</b>	<b>1,75</b>	<b>1,74</b>	<b>1,93</b>	<b>1,93</b>	<b>2,13</b>	<b>2,13</b>	<b>2,38</b>
Coverage Ratio	233,974	244,483	369,008	358,834	480,471	458,101	574,202	572,033	696,226	696,058	833,067
<b>Revenue After D/S</b>	<b>1,420</b>	<b>1,231</b>	<b>1,231</b>	<b>1,174</b>	<b>1,174</b>	<b>1,067</b>	<b>1,067</b>	<b>970</b>	<b>970</b>	<b>882</b>	<b>882</b>
<b>Operating Mill Levy</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
<b>Operating Property Tax Revenue (1yr Lag)</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
<b>Total Mill Levy</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
<b>Cash Balance Summary</b>	<b>177,648</b>	<b>178,891</b>	<b>179,819</b>	<b>181,687</b>	<b>183,038</b>	<b>184,584</b>	<b>186,390</b>	<b>188,688</b>	<b>189,659</b>	<b>191,686</b>	<b>193,647</b>
Beginning Cash Balance	1,243	928	2,048	1,171	1,546	1,806	2,308	1,160	1,626	1,961	2,463
Deposits - Revenue After D/S	-	-	-	-	-	-	-	-	-	-	-
Developer Advances	-	-	-	-	-	-	-	-	-	-	-
Developer Repayments	-	-	-	-	-	-	-	-	-	-	-
D/S Transfers	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	178,891	179,819	181,687	183,038	184,584	186,390	188,688	189,659	191,686	193,647	196,110
<b>LOC Bonds Proceeds</b>	<b>1,243</b>	<b>928</b>	<b>2,048</b>	<b>1,171</b>	<b>1,546</b>	<b>1,806</b>	<b>2,308</b>	<b>1,160</b>	<b>1,626</b>	<b>1,961</b>	<b>2,463</b>
Costs of Issuance	-	-	-	-	-	-	-	-	-	-	-
Letter of Credit Upfront Commitment Fee @ .50%	-	-	-	-	-	-	-	-	-	-	-
Debt Service Reserve Fund	-	-	-	-	-	-	-	-	-	-	-
Capitalized Interest (Net Funded)	-	-	-	-	-	-	-	-	-	-	-
Project Funds	-	-	-	-	-	-	-	-	-	-	-

Lartridge Metropolitan District 1  
 LOC Bonds and Subordinate Bonds  
 7/13/2005 - Amended Service Plan Numbers  
 Cash Flow Analysis

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Totals
<b>Property Tax Information</b>											
Beginning Commercial Mkt Value	195,484,410	215,032,851	215,032,851	236,536,136	236,536,136	260,189,750	260,189,750	286,208,725	286,208,725	314,829,597	84,648,066
Additions											230,181,531
Reassessment Appreciation	19,548,441	21,503,285	21,503,285	23,653,614	23,653,614	26,018,975	26,018,975	28,620,872	28,620,872	31,482,957	84,648,066
Appreciation Rate%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Ending Commercial Mkt Value	215,032,851	236,536,136	236,536,136	236,536,136	260,189,750	260,189,750	286,208,725	286,208,725	314,829,597	314,829,597	314,829,597
Commercial Market Value (or Assessed Value)	215,032,851	236,536,136	236,536,136	236,536,136	260,189,750	260,189,750	286,208,725	286,208,725	314,829,597	314,829,597	314,829,597
Commercial Assessment %	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%
Commercial Assessed Value	62,359,527	68,595,479	68,595,479	68,595,479	75,455,027	75,455,027	83,000,530	83,000,530	91,300,583	91,300,583	91,300,583
Total Assessed Value	62,359,527	68,595,479	68,595,479	68,595,479	75,455,027	75,455,027	83,000,530	83,000,530	91,300,583	91,300,583	91,300,583
Debt Service Mill Levy	24.188	24.188	24.271	24.271	24.337	24.337	24.398	24.398	24.482	24.482	24.482
Commercial Property Tax Revenue (1yr Lag)	1,367,262	1,508,988	1,508,988	1,664,887	1,664,887	1,836,376	1,836,376	2,025,013	2,025,013	2,232,515	33,559,548
Property Tax Revenue	1,367,262	1,508,988	1,508,988	1,664,887	1,664,887	1,836,376	1,836,376	2,025,013	2,025,013	2,232,515	33,559,548
Specific Ownership Tax @ 6.00%	82,038	90,839	90,839	99,893	99,893	110,183	110,183	121,891	121,891	133,851	2,013,873
<b>Total Debt Service Revenue</b>	<b>1,449,300</b>	<b>1,600,827</b>	<b>1,600,827</b>	<b>1,764,780</b>	<b>1,764,780</b>	<b>1,946,559</b>	<b>1,946,559</b>	<b>2,146,904</b>	<b>2,146,904</b>	<b>2,366,366</b>	<b>35,573,421</b>
<b>Senior Lien Debt Service</b>											
Beginning Principal Balance	5,820,000	5,205,000	4,775,000	4,325,000	3,855,000	3,370,000	2,865,000	2,340,000	1,795,000	1,225,000	1,225,000
Interest Rate	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
LOC Fee	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Principal	415,000	430,000	450,000	470,000	495,000	505,000	525,000	545,000	570,000	1,225,000	10,000,000
Interest	182,650	169,163	155,186	140,563	125,288	109,525	93,113	76,050	58,338	39,813	6,680,421
LOC Fee	42,877	39,525	36,260	32,843	29,274	25,591	21,756	17,769	13,631	9,302	1,867,772
Capitalized Interest											(1,205,625)
DSR Fund @ 4.00%	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)	(25,134)	(1,306,942)
<b>Net Debt Service</b>	<b>615,182</b>	<b>616,314</b>	<b>616,314</b>	<b>618,272</b>	<b>614,428</b>	<b>614,862</b>	<b>614,726</b>	<b>613,808</b>	<b>616,835</b>	<b>620,644</b>	<b>16,015,625</b>
Coverage Ratio	2.36	2.61	2.60	2.85	2.87	3.17	3.17	3.50	3.48	3.81	3.81
<b>Subordinate Lien Debt Service</b>											
Beginning Principal Balance	834,104	843,973	843,973	843,213	833,213	823,178	813,823	804,223	794,423	784,423	774,423
Interest at 6.00%	184,031	170,384	157,420	144,456	132,025	120,120	108,750	97,950	87,750	78,124	3,918,369
Principal	650,073	673,589	686,553	698,757	701,188	703,058	705,073	707,273	709,673	712,299	15,407,896
Net Debt Service	834,104	843,973	843,973	843,213	833,213	823,178	813,823	804,223	794,423	784,423	19,326,285
Coverage Ratio	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Revenue After DIS</b>	<b>2,366,366</b>	<b>2,366,366</b>	<b>2,366,366</b>	<b>2,366,366</b>	<b>2,366,366</b>	<b>2,366,366</b>	<b>2,366,366</b>	<b>2,366,366</b>	<b>2,366,366</b>	<b>2,366,366</b>	<b>231,230</b>
Operating Mill Levy	0.822	0.822	0.729	0.729	0.843	0.843	0.843	0.843	0.848	0.848	0.848
Commercial Property Tax Revenue (1yr Lag)	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	1,300,000
Operating Property Tax Revenue	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	1,300,000
Total Mill Levy	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
<b>Cash Balance Summary</b>											
Beginning Cash Balance	196,110	196,470	202,072	203,595	207,108	209,016	214,402	216,507	221,243	225,408	231,230
Deposits - Revenue After DIS	2,360	3,602	1,523	3,513	1,908	5,386	4,105	2,738	4,165	5,822	231,230
Developer Repayments											
DIS Transfers											
Ending Balance	198,470	202,072	203,595	207,108	209,016	214,402	216,507	221,243	225,408	231,230	231,230
<b>LOC Bonds Proceeds</b>											
Costs of Issuance											10,000,000
Letter of Credit Upfront Commitment Fee @ .50%											250,000
Debt Service Reserve Fund											50,825
Capitalized Interest (Net Funded)											628,338
Project Funds											1,101,520
											7,969,517

**Larkridge Metropolitan District 1**

\$10,000,000 Existing Letter of Credit Backed Senior Bonds  
 \$3,918,369 Proposed Developer Held Subordinate Cash Flow Bonds  
 7/13/2005 - Amended Service Plan Numbers

**Total Issue Sources And Uses**

Dated 08/01/2004 | Delivered 08/01/2004

	LOC Bonds	8% Sub Debt	Issue Summary
<b>SOURCES OF FUNDS</b>			
Par Amount of Bonds	\$10,000,000.00	\$3,918,369.00	\$13,918,369.00
<b>TOTAL SOURCES</b>	\$10,000,000.00	\$3,918,369.00	\$13,918,369.00
<b>USES OF FUNDS</b>			
Costs of Issuance	250,000.00	-	250,000.00
Bank LOC Fee	50,625.00	-	50,625.00
Deposit to Debt Service Reserve Fund (DSRF)	628,337.50	-	628,337.50
Deposit to Capitalized Interest (CIF) Fund	1,101,520.27	-	1,101,520.27
Deposit to Project Construction Fund	7,969,517.23	3,918,369.00	11,887,886.23
<b>TOTAL USES</b>	\$10,000,000.00	\$3,918,369.00	\$13,918,369.00

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**Larkridge Metropolitan District 1**

\$10,000,000 Existing Letter of Credit Backed Senior Bonds

7/13/2005 - Amended Service Plan Numbers

**Net Debt Service Schedule**

Date	Principal	Coupon	Interest	LOC	Total P+I	DSR	CIF	Net New D/S
12/01/2004	-	-	83,333.33	50,625.00	133,958.33	-	(133,958.33)	-
12/01/2005	-	-	250,000.00	151,875.00	401,875.00	-	(401,875.00)	-
12/01/2006	-	-	250,000.00	151,875.00	401,875.00	-	(401,875.00)	-
12/01/2007	-	-	250,000.00	151,875.00	401,875.00	-	(267,916.67)	133,958.33
12/01/2008	-	-	325,000.00	75,937.50	400,937.50	(25,133.50)	-	375,804.00
12/01/2009	80,000.00	3.250%	325,000.00	75,937.50	480,937.50	(25,133.50)	-	455,804.00
12/01/2010	130,000.00	3.250%	322,400.00	75,330.00	527,730.00	(25,133.50)	-	502,596.50
12/01/2011	135,000.00	3.250%	318,175.00	74,342.82	527,517.82	(25,133.50)	-	502,384.32
12/01/2012	195,000.00	3.250%	313,787.50	73,317.66	582,105.16	(25,133.50)	-	556,971.66
12/01/2013	200,000.00	3.250%	307,450.00	71,836.88	579,286.88	(25,133.50)	-	554,153.38
12/01/2014	270,000.00	3.250%	300,950.00	70,318.13	641,268.13	(25,133.50)	-	616,134.63
12/01/2015	280,000.00	3.250%	292,175.00	68,267.82	640,442.82	(25,133.50)	-	615,309.32
12/01/2016	290,000.00	3.250%	283,075.00	66,141.57	639,216.57	(25,133.50)	-	614,083.07
12/01/2017	305,000.00	3.250%	273,650.00	63,939.38	642,589.38	(25,133.50)	-	617,455.88
12/01/2018	315,000.00	3.250%	263,737.50	61,623.29	640,360.79	(25,133.50)	-	615,227.29
12/01/2019	330,000.00	3.250%	253,500.00	59,231.25	642,731.25	(25,133.50)	-	617,597.75
12/01/2020	340,000.00	3.250%	242,775.00	56,725.32	639,500.32	(25,133.50)	-	614,366.82
12/01/2021	355,000.00	3.250%	231,725.00	54,143.44	640,868.44	(25,133.50)	-	615,734.94
12/01/2022	370,000.00	3.250%	220,187.50	51,447.66	641,635.16	(25,133.50)	-	616,501.66
12/01/2023	385,000.00	3.250%	208,162.50	48,637.97	641,800.47	(25,133.50)	-	616,666.97
12/01/2024	400,000.00	3.250%	195,650.00	45,714.38	641,364.38	(25,133.50)	-	616,230.88
12/01/2025	415,000.00	3.250%	182,650.00	42,676.88	640,326.88	(25,133.50)	-	615,193.38
12/01/2026	430,000.00	3.250%	169,162.50	39,525.47	638,687.97	(25,133.50)	-	613,554.47
12/01/2027	450,000.00	3.250%	155,187.50	36,260.16	641,447.66	(25,133.50)	-	616,314.16
12/01/2028	470,000.00	3.250%	140,562.50	32,842.97	643,405.47	(25,133.50)	-	618,271.97
12/01/2029	485,000.00	3.250%	125,287.50	29,273.91	639,561.41	(25,133.50)	-	614,427.91
12/01/2030	505,000.00	3.250%	109,525.00	25,590.94	640,115.94	(25,133.50)	-	614,982.44
12/01/2031	525,000.00	3.250%	93,112.50	21,756.10	639,868.60	(25,133.50)	-	614,735.10
12/01/2032	545,000.00	3.250%	76,050.00	17,769.38	638,819.38	(25,133.50)	-	613,685.88
12/01/2033	570,000.00	3.250%	58,337.50	13,630.79	641,968.29	(25,133.50)	-	616,834.79
12/01/2034	1,225,000.00	3.250%	39,812.50	9,302.35	1,274,114.85	(653,471.00)	-	620,643.85
<b>Total</b>	<b>\$10,000,000.00</b>	<b>-</b>	<b>\$6,660,420.83</b>	<b>\$1,867,771.52</b>	<b>\$18,528,192.35</b>	<b>(1,306,942.00)</b>	<b>(1,205,625.00)</b>	<b>\$16,015,625.35</b>

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**RBC Dain Rauscher Inc.**  
Public Finance

**Larkridge Metropolitan District 1**

**\$3,918,369 Proposed Developer Held Subordinate Cash Flow Bonds**

**7/13/2005 - Amended Service Plan Numbers**

**Net Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I	Net New D/S
12/01/2004	-	-	-	-	-
12/01/2005	-	-	-	-	-
12/01/2006	-	-	-	-	-
12/01/2007	-	-	-	-	-
12/01/2008	125,936.00	8.000%	50,983.99	176,919.99	176,919.99
12/01/2009	125,936.00	8.000%	65,421.14	191,357.14	191,357.14
12/01/2010	130,566.00	8.000%	84,015.68	214,581.68	214,581.68
12/01/2011	120,843.00	8.000%	93,965.67	214,808.67	214,808.67
12/01/2012	123,158.00	8.000%	113,630.56	236,788.56	236,788.56
12/01/2013	115,287.00	8.000%	124,456.14	239,743.14	239,743.14
12/01/2014	116,676.00	8.000%	145,755.01	262,431.01	262,431.01
12/01/2015	108,342.00	8.000%	155,229.37	263,571.37	263,571.37
12/01/2016	135,659.00	8.000%	221,299.54	356,958.54	356,958.54
12/01/2017	124,547.00	8.000%	229,915.42	354,462.42	354,462.42
12/01/2018	149,086.00	8.000%	309,838.84	458,924.84	458,924.84
12/01/2019	137,048.00	8.000%	319,246.43	456,294.43	456,294.43
12/01/2020	158,809.00	8.000%	413,084.75	571,893.75	571,893.75
12/01/2021	146,771.00	8.000%	424,902.76	571,673.76	571,673.76
12/01/2022	164,828.00	8.000%	529,567.29	694,395.29	694,395.29
12/01/2023	152,327.00	8.000%	541,770.43	694,097.43	694,097.43
12/01/2024	168,532.00	8.000%	662,071.37	830,603.37	830,603.37
12/01/2025	156,031.00	8.000%	675,713.58	831,744.58	831,744.58
12/01/2026	170,384.00	8.000%	811,987.30	982,371.30	982,371.30
12/01/2027	157,420.00	8.000%	824,270.38	981,690.38	981,690.38
12/01/2028	169,458.00	8.000%	973,537.37	1,142,995.37	1,142,995.37
12/01/2029	157,420.00	8.000%	991,024.66	1,148,444.66	1,148,444.66
12/01/2030	168,069.00	8.000%	1,158,120.39	1,326,189.39	1,326,189.39
12/01/2031	155,568.00	8.000%	1,172,150.40	1,327,718.40	1,327,718.40
12/01/2032	165,754.00	8.000%	1,364,337.81	1,530,091.81	1,530,091.81
12/01/2033	152,790.00	8.000%	1,372,723.92	1,525,513.92	1,525,513.92
12/01/2034	161,124.00	8.000%	1,578,876.00	1,740,000.00	1,740,000.00
<b>Total</b>	<b>\$3,918,369.00</b>	<b>-</b>	<b>\$15,407,896.20</b>	<b>\$19,326,265.20</b>	<b>\$19,326,265.20</b>

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**Larkridge Metropolitan District 1**

\$10,000,000 Existing Letter of Credit Backed Senior Bonds  
7/13/2005 - Amended Service Plan Numbers

**Operation Of Capitalized Interest Fund**

Date	Principal	Rate	Interest	+Transfers	Receipts	Disbursements	Cash Balance
12/01/2004	121,939.50	1.00000000%	3,668.68	8,350.15	133,958.36	133,958.33	0.03
12/01/2005	367,483.36	1.00000000%	9,258.13	25,133.50	401,874.99	401,875.00	0.02
12/01/2006	371,187.37	1.00000000%	5,574.11	25,133.50	401,874.98	401,875.00	-
12/01/2007	240,930.01	1.00000000%	1,853.16	25,133.50	267,916.67	267,916.67	-
<b>Total</b>	<b>\$1,101,520.24</b>	<b>-</b>	<b>\$20,354.08</b>	<b>\$83,750.65</b>	<b>\$1,205,625.00</b>	<b>\$1,205,625.00</b>	<b>-</b>

**Investment Parameters**

Investment Model (PV, GIC, or Securities)	GIC
Default investment yield target	User Defined
Cash Deposit	0.03
Cost of Investments Purchased with Bond Proceeds	1,101,520.24
Total Cost of Investments	\$1,101,520.27
Target Cost of Investments at bond yield	\$1,042,986.97
Actual positive or (negative) arbitrage	(58,533.30)
Yield to Receipt	1.00000000%
Yield for Arbitrage Purposes	4.0397243%

**Composition Of Initial Deposit**

Original Bond Proceeds	1,101,520.27
Accrued Interest	-
Cash Contribution and Prior Issue Transfers	-

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**Larkridge Metropolitan District 1**

\$10,000,000 Existing Letter of Credit Backed Senior Bonds  
7/13/2005 - Amended Service Plan Numbers

Part 1 of 2

**Operation of Debt Service Reserve Fund**

Date	Principal	Rate	Interest	-Transfers	Receipts	Disbursements	Cash Balance
12/01/2004	-	4.00000000%	8,350.15	(8,350.15)	-	-	-
12/01/2005	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2006	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2007	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2008	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2009	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2010	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2011	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2012	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2013	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2014	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2015	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2016	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2017	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2018	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2019	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2020	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2021	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2022	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2023	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2024	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2025	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2026	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2027	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2028	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2029	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2030	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2031	-	4.00000000%	25,133.50	(25,133.50)	-	-	-

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**Larkridge Metropolitan District 1**

\$10,000,000 Existing Letter of Credit Backed Senior Bonds

7/13/2005 - Amended Service Plan Numbers

**Operation of Debt Service Reserve Fund**

Part 2 of 2

Date	Principal	Rate	Interest	-Transfers	Receipts	Disbursements	Cash Balance
12/01/2032	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2033	-	4.00000000%	25,133.50	(25,133.50)	-	-	-
12/01/2034	628,337.50	4.00000000%	25,133.50	(25,133.50)	628,337.50	628,337.50	-
<b>Total</b>	<b>\$628,337.50</b>	<b>-</b>	<b>\$762,355.15</b>	<b>(762,355.15)</b>	<b>\$628,337.50</b>	<b>\$628,337.50</b>	<b>-</b>

**Investment Parameters**

Investment Model (PV, GIC, or Securities) \_\_\_\_\_ GIC

Default investment yield target \_\_\_\_\_ User Defined

Cost of Investments Purchased with Bond Proceeds \_\_\_\_\_ 628,337.50

Total Cost of Investments \_\_\_\_\_ \$628,337.50

Target Cost of Investments at bond yield \_\_\_\_\_ \$186,775.20

Yield to Receipt \_\_\_\_\_ 4.00000000%

Yield for Arbitrage Purposes \_\_\_\_\_ 4.0397243%

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**RBC**  
**Dain Rauscher**

July 13, 2005

City of Thornton  
9500 Civic Center Drive  
Thornton, CO 80229

**Re: Larkridge Metropolitan District No. 1  
Service Plan Amendment  
Subordinate Bonds**

To Whom It May Concern:

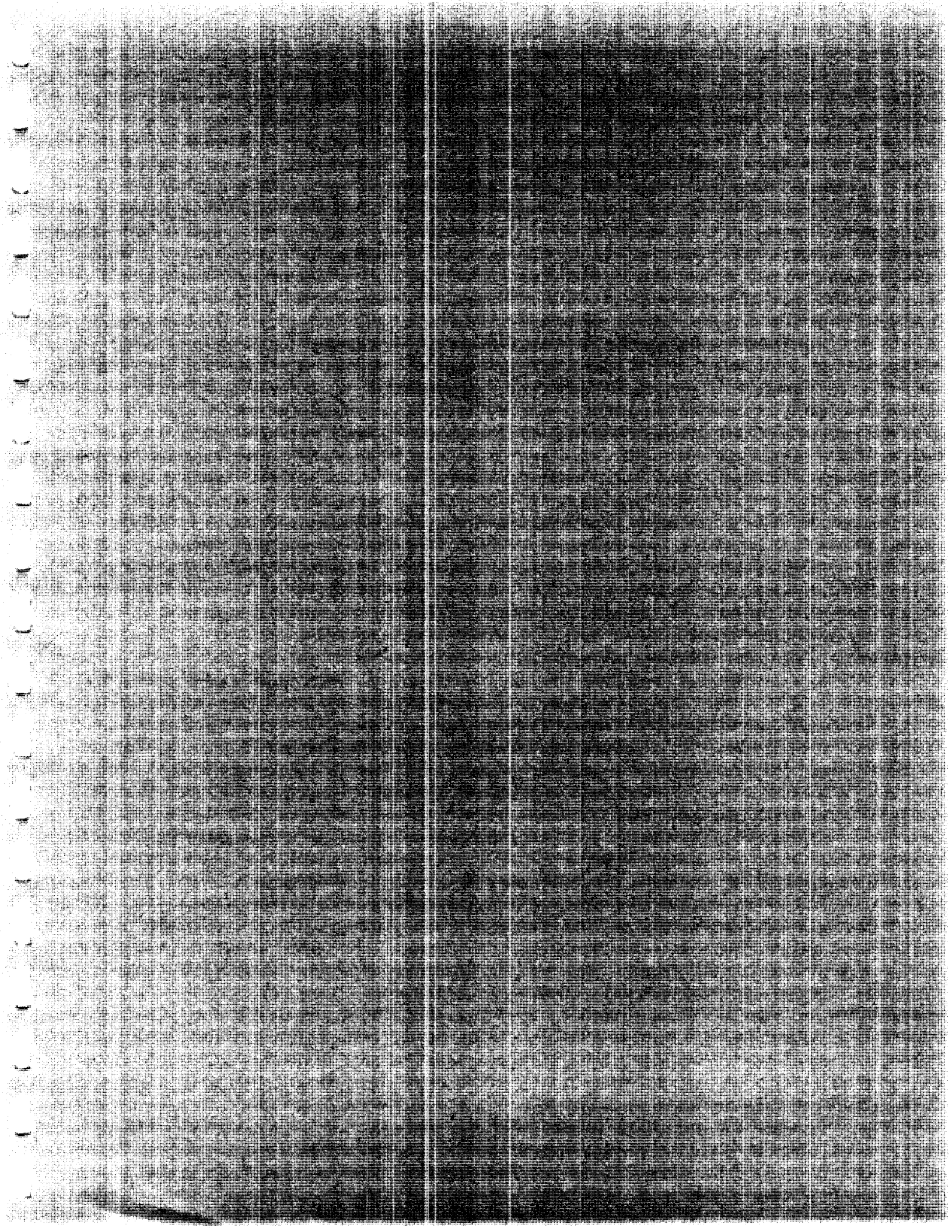
The Larkridge Metropolitan District is proposing an amendment to the Service Plan. The current proposed amendment to the Service Plan will be to permit the issuance of \$3,918,369 of additional debt. This additional debt will be in the form of subordinate lien bonds that will be owned by the developer. The subordinate lien bonds will accrue interest at 8% from their date of issuance and will be payable annually only from available cash flow after the District has paid the debt service due on the \$10,000,000 Series 2004 senior lien bonds.

Because of the time lag between construction and collection of property taxes, the district does not expect to collect any significant amount of property taxes until 2007. Therefore, the senior lien bonds have capitalized interest through 2007. The district does not expect to have any funds after senior lien debt service until 2008. Therefore, payment of interest and principal on the subordinate lien bonds will not begin until 2008. Until this time, the subordinate bonds will be accruing interest at an annual rate of 8%. Starting in 2008, it is projected that the District will begin to make annual payments on the subordinate bonds. The amount of the payments will be limited to the available cash flow after the District has paid the debt service due on the \$10,000,000 Series 2004 senior lien bonds. Based on the current cash flow projections, the subordinate lien bonds will be fully retired by 2034, which is the same as the Series 2004 senior lien bonds.

Failure to receive payment on the subordinate bonds will not result in default or acceleration of either the senior or the subordinate bonds. If the subordinate bonds are not completely repaid by 2034, the developers will have to write-off the unpaid balance. Because of the subordinate nature of this debt, it is not expected that there will be a market for the bonds other than with the developer.

Sincerely,

Thomas Wendelin  
Vice President  
RBC Dain Rauscher Inc.



Larkridge Metropolitan District 1 - Sub District  
 Service Plan Financing Information  
 February 4, 2004  
 Financing Summary

Bond Issue Summary Information	
Gross Bond Proceeds	\$3,500,000
Issuance Costs	\$106,848
Debt Service Reserve Fund	\$210,000
Capitalized Interest	\$388,096
Bond Proceeds Available for Projects	\$2,795,056
Capitalized Interest Requirement	3 Years
Capitalized Interest Reinvestment Rate	1.00%
Total Principal	\$3,500,000
Total Interest	\$2,471,970
Total Letter of Credit Fee	\$436,230
Total Debt Service	\$6,408,200
Less: Debt Service Reserve Fund (Principal & Interest Earnings @ 3.40%)	(\$402,780)
Less: Capitalized Interest (Principal & Interest Earnings @ 1.00%)	(\$420,000)
Total Net Debt Service	\$5,585,420
Average Annual Net Debt Service	\$180,175
Maximum Annual Net Debt Service	\$209,260
Interest Rate	3.40%
Annual Letter of Credit Fee	0.50%
All-In Interest Rate	4.00%
Term	30 Years

Cash Flow Summary Information	
<b>Tax &amp; Growth Assumptions</b>	
Total Mill Levy (Operations & Debt Service)	25.000
Property Value Appreciation Rate (Biennial)	4.00%
Property Value Appreciation Rate Duration	2009 thru 2015
Commercial Assessment Rate	29.00%
<b>Development Assumptions</b>	
Total Commercial Sq Ft	160,000
Average Market Value Per Sq Ft (2003 Values)	142
Total Market Value	22,750,000
Total Assessed Value	6,597,500
Average Market Value Per Sq Ft (Inflated @ 3% to Completion Date)	165
Total Market Value	26,373,485
Total Assessed Value	7,648,311

Larkridge Metropolitan District 1 - Sub District  
 Service Plan Financing Information  
 February 4, 2004  
 Development Detail

Code	Description	2008	2008	2008	2008	2008	2008	2008	2008	2008	2008
G1	Grocery	70,000	500.00	\$200.00	\$231.85	14,000,000	16,229,837				
P1	Pad Sites	40,000	350.00	\$125.00	\$144.91	5,000,000	5,796,370				
I1	Inline Retail	50,000	150.00	\$75.00	\$86.95	3,750,000	4,347,278				
Commercial Total		160,000	353.13	\$142.19	\$164.63	22,750,000	26,373,485				
Total		160,000				22,750,000	26,373,485				

Larkridge Metropolitan District 1 - Sub District  
 Service Plan Financing Information  
 February 4, 2004  
 Development Summary

Type	Category	2006	2007	2008	2009	2010	2011	2012	Total
Commercial	Grocery		70,000						70,000
	Inline		50,000						50,000
	Pad Site		40,000						40,000
Commercial Total			160,000						160,000

Type	Category	2006	2007	2008	2009	2010	2011	2012	Total
Commercial	Grocery		200						200
	Inline		76						76
	Pad Site		125						125
Commercial Total			401						401

Type	Category	2006	2007	2008	2009	2010	2011	2012	Total
Commercial	Grocery		14,000,000						14,000,000
	Inline		3,750,000						3,750,000
	Pad Site		5,000,000						5,000,000
Commercial Total			22,750,000						22,750,000
Total			22,750,000						22,750,000

Type	Category	2006	2007	2008	2009	2010	2011	2012	Total
Commercial	Grocery		232						232
	Inline		87						87
	Pad Site		145						145
Commercial Total			464						464

Type	Category	2006	2007	2008	2009	2010	2011	2012	Total
Commercial	Grocery		16,229,837						16,229,837
	Inline		4,347,278						4,347,278
	Pad Site		5,796,370						5,796,370
Commercial Total			26,373,485						26,373,485
Total			26,373,485						26,373,485

Lakridge Metropolitan District 1 - Sub District  
 Service Plan Financing Information  
 February 4, 2004  
 Cash Flow Analysis

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Property Tax Information</b>											
Beginning Commercial Mkt Value	-	-	26,373,485	27,428,425	27,428,425	27,428,425	28,525,562	28,525,562	29,666,584	29,666,584	30,853,247
Additions	-	-	26,373,485	-	-	1,097,137	-	1,141,022	-	-	1,186,663
Reassessment/Appreciation	-	-	-	1,054,939	-	4,00%	-	4,00%	-	-	4,00%
Appreciation Rate%	-	-	-	4.00%	-	-	-	-	-	-	-
Ending Commercial Mkt Value	-	-	26,373,485	27,428,425	27,428,425	28,525,562	28,525,562	29,666,584	29,666,584	30,853,247	30,853,247
Commercial Market Value for Assessed Value	-	-	-	27,428,425	27,428,425	28,525,562	28,525,562	29,666,584	29,666,584	30,853,247	30,853,247
Commercial Assessment %	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%
Commercial Assessed Value	-	-	7,954,243	7,954,243	7,954,243	8,272,413	8,272,413	8,603,309	8,603,309	8,947,442	8,947,442
Total Assessed Value	-	-	7,954,243	7,954,243	7,954,243	8,272,413	8,272,413	8,603,309	8,603,309	8,947,442	8,947,442
Debt Service Mill Levy	-	-	-	21.867	21.867	21.978	21.978	22.094	22.094	22.206	22.206
Commercial Property Tax Revenue (1yr Lag)	-	-	-	173,856	173,856	173,856	181,810	181,810	180,083	180,083	188,686
Property Tax Revenue	-	-	-	173,856	173,856	173,856	181,810	181,810	180,083	180,083	188,686
Specific Ownership Tax @ 6.00%	-	-	-	10,431	10,431	10,431	10,909	10,909	11,403	11,403	11,921
Total Debt Service Revenue	-	-	-	184,287	184,287	184,287	192,719	192,719	201,486	201,486	210,607
Senior Lien Debt Service	59,500	119,000	119,000	119,000	119,000	169,000	177,300	175,260	183,220	185,840	193,290
Debt Service @ 3.40%	10,500	21,000	21,000	21,000	21,000	21,000	20,700	20,340	19,960	19,560	19,110
Letter of Credit (LOC) @ 0.80%	(70,000)	(140,000)	(140,000)	(140,000)	(70,000)	-	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)
Capitalized Interest	-	-	-	-	-	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)
DSR Fund	-	-	-	70,000	182,880	182,880	190,860	188,480	186,060	186,260	205,260
Total Net Debt Service	-	-	-	2,63	2,63	1,01	1,91	1,02	1,03	1,02	1,03
Coverage Ratio	-	-	-	114,287	114,287	1,427	1,869	4,258	5,428	3,228	5,347
Revenue After D/S	-	-	-	-	-	-	-	-	-	-	-
Cash Balance Transfers	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow	-	-	-	114,287	114,287	1,427	1,869	4,258	5,428	3,228	5,347
Operating Mill Levy	-	-	-	3,143	3,143	3,022	3,022	2,908	2,908	2,784	2,784
Commercial Property Tax Revenue (1yr Lag)	-	-	-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Operating Property Tax Revenue	-	-	-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Total Mill Levy	-	-	-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Cash Balance Summary	-	-	-	-	-	114,287	115,714	117,573	121,832	127,260	130,488
Beginning Cash Balance	-	-	-	-	114,287	1,427	1,869	4,259	5,428	3,228	5,347
Deposits - Revenue After D/S	-	-	-	-	-	-	-	-	-	-	-
Developer Advances	-	-	-	-	-	-	-	-	-	-	-
Developer Repayments	-	-	-	-	-	-	-	-	-	-	-
D/S Transfers	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	-	-	-	-	114,287	115,714	117,573	121,832	127,260	130,488	135,835
Bond Issue Summary	3,500,000	-	-	-	-	-	-	-	-	-	-
GO Bonds - LOC (All-In Rate @ 4.00%)	106,848	-	-	-	-	-	-	-	-	-	-
Costs of Issuance	210,000	-	-	-	-	-	-	-	-	-	-
Debt Service Reserve Fund	388,086	-	-	-	-	-	-	-	-	-	-
Capitalized Interest (Net Funded)	2,785,056	-	-	-	-	-	-	-	-	-	-
Project Funds	-	-	-	-	-	-	-	-	-	-	-

Larkidge Metropolitan District 1 - Sub District  
 Service Plan Financing Information  
 February 4, 2004  
 Cash Flow Analysis

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Property Tax Information</b>											
Beginning Commercial Mkt Value	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247
Additions	-	-	-	-	-	-	-	-	-	-	-
Reassessment Appreciation	-	-	-	-	-	-	-	-	-	-	-
Appreciation Rate %	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Ending Commercial Mkt Value	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247
Commercial Market Value for Assessed Value	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247
Commercial Assessment %	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%
Commercial Assessed Value	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442
Total Assessed Value	6,947,442	6,947,442	6,947,442	6,947,442	6,947,442	6,947,442	6,947,442	6,947,442	6,947,442	6,947,442	6,947,442
<b>Debt Service Mill Levy</b>	22.208	22.208	22.208	22.208	22.208	22.208	22.208	22.208	22.208	22.208	22.208
Commercial Property Tax Revenue (1yr Lag)	198,686	198,686	198,686	198,686	198,686	198,686	198,686	198,686	198,686	198,686	198,686
Property Tax Revenue	198,686	198,686	198,686	198,686	198,686	198,686	198,686	198,686	198,686	198,686	198,686
Specific Ownership Tax @ 6.00%	11,921	11,921	11,921	11,921	11,921	11,921	11,921	11,921	11,921	11,921	11,921
Total Debt Service Revenue	210,607	210,607	210,607	210,607	210,607	210,607	210,607	210,607	210,607	210,607	210,607
<b>Senior Lien Debt Service</b>											
Debt Service @ 3.40%	195,400	197,340	194,110	195,880	197,480	198,910	200,170	201,260	202,180	202,930	203,510
Letter of Credit (LOC) @ 0.60%	18,600	16,060	17,490	16,920	18,320	15,690	15,030	14,340	13,620	12,870	12,090
Capitalized Interest	-	-	-	-	-	-	-	-	-	-	-
DSR Fund	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)
Total Net Debt Service	206,860	206,260	204,460	205,660	208,660	207,460	208,080	208,460	208,660	208,660	208,480
Coverage Ratio	1.02	1.01	1.03	1.02	1.02	1.02	1.01	1.01	1.01	1.01	1.01
<b>Revenue After D/S</b>	3,747	2,347	6,147	4,947	3,847	3,147	2,547	2,147	1,947	1,947	2,147
<b>Cash Balance Transfers</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Net Cash Flow</b>	3,747	2,347	6,147	4,947	3,847	3,147	2,547	2,147	1,947	1,947	2,147
<b>Operating Mill Levy</b>	2,794	2,794	2,794	2,794	2,794	2,794	2,794	2,794	2,794	2,794	2,794
Commercial Property Tax Revenue (1yr Lag)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Operating Property Tax Revenue	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Total Mill Levy	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
<b>Cash Balance Summary</b>											
Beginning Cash Balance	135,835	139,562	141,929	148,076	153,023	156,970	160,117	162,664	164,811	166,758	168,705
Deposits - Revenue After D/S	3,747	2,347	6,147	4,947	3,847	3,147	2,547	2,147	1,947	1,947	2,147
Developer Advances	-	-	-	-	-	-	-	-	-	-	-
Developer Repayments	-	-	-	-	-	-	-	-	-	-	-
D/S Transfers	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	139,582	141,929	148,076	153,023	158,970	160,117	162,664	164,811	166,758	168,705	170,852
<b>Bond Issue Summary</b>											
GO Bonds - LOC (All-in Rate @ 4.00%)	-	-	-	-	-	-	-	-	-	-	-
Costs of Issuance	-	-	-	-	-	-	-	-	-	-	-
Debt Service Reserve Fund	-	-	-	-	-	-	-	-	-	-	-
Capitalized Interest (Net Funded)	-	-	-	-	-	-	-	-	-	-	-
Project Funds	-	-	-	-	-	-	-	-	-	-	-



Larkridge Metropolitan District 1 - Sub District  
 Service Plan Financing Information  
 February 4, 2004  
 Cash Flow Analysis

	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	Totals
Property Tax Information											
Beginning Commercial Mkt Value	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	26,373,485
Additions	-	-	-	-	-	-	-	-	-	-	4,479,762
Reassessment/Appreciation	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Appreciation Rate %											
Ending Commercial Mkt Value	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247
Commercial Market Value for Assessed Value	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247	30,853,247
Commercial Assessment %	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%	29.00%
Commercial Assessed Value	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442
Total Assessed Value	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442	8,947,442
Debt Service Mill Levy	22.206	22.206	22.206	22.206	22.206	22.206	22.206	22.206	22.206	22.206	-
Commercial Property Tax Revenue (1yr Lag)	198,888	198,888	198,888	198,888	198,888	198,888	198,888	198,888	198,888	198,888	198,888
Property Tax Revenue	198,888	198,888	198,888	198,888	198,888	198,888	198,888	198,888	198,888	198,888	198,888
Specific Ownership Tax @ 6.00%	11,821	11,821	11,821	11,821	11,821	11,821	11,821	11,821	11,821	11,821	11,821
Total Debt Service Revenue	210,607	210,607	210,607	210,607	210,607	210,607	210,607	210,607	210,607	210,607	210,607
Senior Lien Debt Service											
Debt Service @ 3.40%	203,920	204,160	204,230	204,130	203,860	208,420	207,840	211,880	210,400	423,940	5,971,970
Letter of Credit (LOC) @ 0.60%	11,280	10,440	9,570	6,670	7,740	6,780	5,760	4,710	3,600	2,480	438,230
Capitalized Interest											(420,000)
DSR Fund	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)	(7,140)	(402,780)
Total Net Debt Service	206,060	207,460	206,660	205,660	204,460	208,060	206,260	209,260	206,660	209,280	5,585,420
Coverage Ratio	1.01	1.02	1.02	1.02	1.03	1.01	1.02	1.01	1.02	1.01	1.01
Revenue After D/S	2,547	3,147	3,947	4,947	6,147	2,547	4,347	1,347	3,747	1,347	204,922
Cash Balance Transfers											
Net Cash Flow	2,547	3,147	3,947	4,947	6,147	2,547	4,347	1,347	3,747	1,347	204,922
Operating Mill Levy	2,784	2,784	2,784	2,784	2,784	2,784	2,784	2,784	2,784	2,784	-
Commercial Property Tax Revenue (1yr Lag)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	725,000
Operating Property Tax Revenue	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	725,000
Total Mill Levy	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Cash Balance Summary											
Beginning Cash Balance	170,852	173,399	176,546	180,493	185,440	191,587	194,134	196,481	199,828	203,575	-
Deposits - Revenue After D/S	2,547	3,147	3,947	4,947	6,147	2,547	4,347	1,347	3,747	1,347	204,922
Developer Advances	-	-	-	-	-	-	-	-	-	-	-
Developer Repayments	-	-	-	-	-	-	-	-	-	-	-
D/S Transfers	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	173,399	176,546	180,493	185,440	191,587	194,134	196,481	199,828	203,575	204,922	-
Bond Issue Summary											
GO Bonds - LOC (All-In Rate @ 4.00%)											3,500,000
Costs of Issuance											106,848
Debt Service Reserve Fund											210,000
Capitalized Interest (Net Funded)											388,096
Project Funds											2,795,056

**Larkridge Metropolitan District 1 - Sub District**

Service Plan Financing Information

February 4, 2004

**Sources & Uses**

Dated 06/01/2007 | Delivered 06/01/2007

<b>SOURCES OF FUNDS</b>	
Par Amount of Bonds	\$3,500,000.00
<b>TOTAL SOURCES</b>	<b>\$3,500,000.00</b>
<b>USES OF FUNDS</b>	
Costs of Issuance	106,848.43
Deposit to Debt Service Reserve Fund (DSRF)	210,000.00
Deposit to Capitalized Interest (CIF) Fund	388,095.68
Deposit to Project Construction Fund	2,795,055.89
<b>TOTAL USES</b>	<b>\$3,500,000.00</b>

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**Larkridge Metropolitan District 1 - Sub District**

Service Plan Financing Information

February 4, 2004

**Net Debt Service Schedule**

Date	Principal	Coupon	Interest	LOC	Total P+I	DSR	CIF	Net New D/S
12/01/2007	-	-	59,500.00	10,500.00	70,000.00	-	(70,000.00)	-
12/01/2008	-	-	119,000.00	21,000.00	140,000.00	-	(140,000.00)	-
12/01/2009	-	-	119,000.00	21,000.00	140,000.00	-	(140,000.00)	-
12/01/2010	-	-	119,000.00	21,000.00	140,000.00	-	(70,000.00)	70,000.00
12/01/2011	50,000.00	3.400%	119,000.00	21,000.00	190,000.00	(7,140.00)	-	182,860.00
12/01/2012	60,000.00	3.400%	117,300.00	20,700.00	198,000.00	(7,140.00)	-	190,860.00
12/01/2013	60,000.00	3.400%	115,260.00	20,340.00	195,600.00	(7,140.00)	-	188,460.00
12/01/2014	70,000.00	3.400%	113,220.00	19,980.00	203,200.00	(7,140.00)	-	196,060.00
12/01/2015	75,000.00	3.400%	110,840.00	19,560.00	205,400.00	(7,140.00)	-	198,260.00
12/01/2016	85,000.00	3.400%	108,290.00	19,110.00	212,400.00	(7,140.00)	-	205,260.00
12/01/2017	90,000.00	3.400%	105,400.00	18,600.00	214,000.00	(7,140.00)	-	206,860.00
12/01/2018	95,000.00	3.400%	102,340.00	18,060.00	215,400.00	(7,140.00)	-	208,260.00
12/01/2019	95,000.00	3.400%	99,110.00	17,490.00	211,600.00	(7,140.00)	-	204,460.00
12/01/2020	100,000.00	3.400%	95,880.00	16,920.00	212,800.00	(7,140.00)	-	205,660.00
12/01/2021	105,000.00	3.400%	92,480.00	16,320.00	213,800.00	(7,140.00)	-	206,660.00
12/01/2022	110,000.00	3.400%	88,910.00	15,690.00	214,600.00	(7,140.00)	-	207,460.00
12/01/2023	115,000.00	3.400%	85,170.00	15,030.00	215,200.00	(7,140.00)	-	208,060.00
12/01/2024	120,000.00	3.400%	81,260.00	14,340.00	215,600.00	(7,140.00)	-	208,460.00
12/01/2025	125,000.00	3.400%	77,180.00	13,620.00	215,800.00	(7,140.00)	-	208,660.00
12/01/2026	130,000.00	3.400%	72,930.00	12,870.00	215,800.00	(7,140.00)	-	208,660.00
12/01/2027	135,000.00	3.400%	68,510.00	12,090.00	215,600.00	(7,140.00)	-	208,460.00
12/01/2028	140,000.00	3.400%	63,920.00	11,280.00	215,200.00	(7,140.00)	-	208,060.00
12/01/2029	145,000.00	3.400%	59,160.00	10,440.00	214,600.00	(7,140.00)	-	207,460.00
12/01/2030	150,000.00	3.400%	54,230.00	9,570.00	213,800.00	(7,140.00)	-	206,660.00
12/01/2031	155,000.00	3.400%	49,130.00	8,670.00	212,800.00	(7,140.00)	-	205,660.00
12/01/2032	160,000.00	3.400%	43,860.00	7,740.00	211,600.00	(7,140.00)	-	204,460.00
12/01/2033	170,000.00	3.400%	38,420.00	6,780.00	215,200.00	(7,140.00)	-	208,060.00
12/01/2034	175,000.00	3.400%	32,640.00	5,760.00	213,400.00	(7,140.00)	-	206,260.00
12/01/2035	185,000.00	3.400%	26,690.00	4,710.00	216,400.00	(7,140.00)	-	209,260.00
12/01/2036	190,000.00	3.400%	20,400.00	3,600.00	214,000.00	(7,140.00)	-	206,860.00
12/01/2037	410,000.00	3.400%	13,940.00	2,460.00	426,400.00	(217,140.00)	-	209,260.00
<b>Total</b>	<b>\$3,500,000.00</b>	<b>-</b>	<b>\$2,471,970.00</b>	<b>\$436,230.00</b>	<b>\$6,408,200.00</b>	<b>(402,780.00)</b>	<b>(420,000.00)</b>	<b>\$5,585,420.00</b>

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**Larkridge Metropolitan District 1 - Sub District**

Service Plan Financing Information

February 4, 2004

**Operation Of Capitalized Interest Fund**

Date	Principal	Rate	Interest	+ Transfers	Receipts	Disbursements	Cash Balance
12/01/2007	64,489.52	1.00000000%	1,940.48	3,570.00	70,000.04	70,000.00	0.04
12/01/2008	129,895.49	1.00000000%	2,964.50	7,140.00	139,999.99	140,000.00	0.03
12/01/2009	131,197.69	1.00000000%	1,662.30	7,140.00	139,999.99	140,000.00	0.02
12/01/2010	62,512.94	1.00000000%	347.04	7,140.00	69,999.98	70,000.00	-
<b>Total</b>	<b>\$388,095.64</b>	-	<b>\$6,914.32</b>	<b>\$24,990.00</b>	<b>\$420,000.00</b>	<b>\$420,000.00</b>	-

**Investment Parameters**

Investment Model [PV, GIC, or Securities] GIC  
 Default investment yield target User Defined

Cash Deposit	0.04
Cost of Investments Purchased with Bond Proceeds	388,095.64
Total Cost of Investments	\$388,095.68
Target Cost of Investments at bond yield	\$368,460.27
Actual positive or (negative) arbitrage	(19,635.41)

Yield to Receipt	0.99999999%
Yield for Arbitrage Purposes	3.9942831%

**Composition of Initial Deposit**

Original Bond Proceeds	388,095.68
Accrued Interest	-
Cash Contribution and Prior Issue Transfers	-

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**Larkridge Metropolitan District 1 - Sub District**

Service Plan Financing Information

February 4, 2004

**Operation Of Debt Service Reserve Fund**

Part 1 of 2

Date	Principal	Rate	Interest	-Transfers	Receipts	Disbursements	Cash Balance
12/01/2007	-	3.4000000%	3,570.00	(3,570.00)	-	-	-
12/01/2008	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2009	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2010	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2011	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2012	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2013	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2014	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2015	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2016	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2017	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2018	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2019	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2020	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2021	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2022	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2023	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2024	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2025	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2026	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2027	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2028	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2029	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2030	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2031	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2032	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2033	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2034	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2035	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2036	-	3.4000000%	7,140.00	(7,140.00)	-	-	-
12/01/2037	210,000.00	3.4000000%	7,140.00	(7,140.00)	210,000.00	210,000.00	-
<b>Total</b>	<b>\$210,000.00</b>	-	<b>\$217,770.00</b>	<b>(217,770.00)</b>	<b>\$210,000.00</b>	<b>\$210,000.00</b>	-

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**RBC Dain Rauscher Inc.**  
Public Finance

**EXHIBIT I**

**Intergovernmental Agreement - Service Plan**

**INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF THORNTON AND  
LARKRIDGE METROPOLITAN DISTRICT NO. 1 REGARDING THE SERVICE PLAN  
FOR THE DISTRICT**

THIS AGREEMENT is made and entered into as of this 9th day of June, 2004, by and between the **CITY OF THORNTON**, State of Colorado ("City") and the **LARKRIDGE METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District"). (The City and the District are collectively referred to as the "Parties".)

**RECITALS**

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 dated February 24, 2004, and approved by the City on February 24, 2004 ("Service Plan"); and

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

WHEREAS, the City and the District have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Intergovernmental Agreement ("Agreement").

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:

**COVENANTS AND AGREEMENTS**

1. Changes in Boundaries. The District agrees that, other than as set forth in the Service Plan, any inclusion of properties within or exclusion of properties from its boundaries shall be subject to the prior approval of the Thornton City Council ("City Council") as evidenced by a resolution after a public hearing thereon.

2. Mill Levy Cap. The District agrees that the Mill Levy Cap set forth in of the Service Plan is 50 mills. The City agrees that for any portion of the District's Debt (as such term is defined in the Service Plan) with respect to which the Debt to Assessed Valuation (as such term is defined in the Service Plan) is less than 50%, the District shall be permitted to impose a mill levy for the payment thereof that shall not be subject to the Mill Levy Cap. The City further agrees that in the event the method of calculating assessed valuation is changed after the date of the approval of the Service Plan by any change in law, change in method of calculation, or in the event of any legislation or constitutionally mandated tax credit, cut or abatement, the Mill Levy Cap may be increased or decreased to reflect such changes. The District further agrees that any increase in the mill levy above the Mill Levy Cap, except as set forth in this section, shall

be subject to the prior approval of the City Council as evidenced by a resolution after a public hearing thereon.

3. Financing. The District agrees that any refunding of outstanding bonds of the District which could extend the maturity of such bonds or increase the total debt service thereon, except as set forth below, shall be subject to the prior approval of the City Council as evidenced by a resolution after a public hearing thereon. Costs of issuance with any refunding of outstanding bonds shall not be considered an increase in the total debt service. Costs of issuance may include but shall not be limited to legal fees, underwriter fees and discounts, capitalized interest, letter of credit fees including bank commitment fees, reserve funds and costs associated with funding an escrow for refundings.

4. Fees. The District agrees that it shall not impose any capital fees and exactions on any property within its boundaries without obtaining the prior opinion of a qualified financial advisor, acceptable to the City, which opinion shall state that such fees are reasonable.

5. Consolidation. The District agrees that the consolidation of the District with any other special district within the State of Colorado shall be subject to the prior approval of the City Council as evidenced by a resolution after a public hearing thereon.

6. Water Rights / Resources. The District agrees not to acquire, own, manage, adjudicate or develop water rights or resources without the consent of the City.

7. Eminent Domain. The District agrees not to use eminent domain powers for any real property without the consent of the City.

8. Greater Outdoors Colorado Trust Fund. The District agrees not to apply for Greater Outdoors Colorado Trust Fund grants or other State or Federal grants without a modification of this Agreement by the Parties. In the event the District receives any money from this fund, the District agrees to remit to the City all moneys it receives from this Fund within 30 days.

9. Bond Documents. The District agrees that any bond documents may not provide acceleration of debt against the issuer as a remedy without a modification of this Agreement by the Parties.

10. Dissolution. The District agrees it shall take all action necessary to dissolve pursuant to C.R.S. Section 32-1-701 et seq., upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, whereupon City Council shall adopt a resolution, after a public hearing thereon, stating that the District shall be dissolved, provided however, that the City agrees that the District shall not be dissolved until all of the District's outstanding debt obligations have been discharged.



11. Provision of Services. The District agrees not to provide services outside of its boundaries, except as necessary to construct, operate and maintain the public improvements set forth in the Service Plan.

12. City Zoning Requirements. The District agrees that it shall be subject to all of the City's zoning, subdivision, building code and other land use requirements.

13. Telecommunication Facilities. The District agrees that no telecommunication facilities owned, operated or otherwise allowed by the Metro District shall affect the ability of the City to expand its telecommunication facilities or impair existing telecommunication facilities.

14. Bond Counsel Opinion. The District agrees that prior to the issuance of any bond issue, it shall provide a copy of an opinion of a nationally recognized bond counsel stating that the bond issue satisfies TABOR requirements.

15. District Counsel Opinion. The District agrees that prior to the issuance of any bond issue, it shall provide a copy of an opinion by the Metro District's Counsel that the bond issue is in conformance with the service plan.

16. Growth Limitations. The City agrees that it shall not impose growth limitations on any property within the District's boundaries.

17. Notices. All notices, demands, requests or other communications to be sent by one Party to the other hereunder or required by law 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 United Parcel Service 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: Larkridge Metropolitan District No. 1  
c/o McGeady Sisneros, P.C.  
1675 Broadway, Suite 2100  
Denver, CO 80202  
Attn: MaryAnn McGeady  
Phone: (303) 592-4380  
Fax: (303) 529-4385

To the City: City of Thornton  
9500 Civic Center Drive  
Thornton, CO 80229  
Attn: City Manager  
Phone: 303-538-7200  
Fax: 303-538-7562

9. The City Manager is authorized to sign, and the City Clerk to attest, the Intergovernmental Agreement.

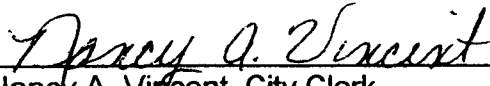
10. The Intergovernmental Agreement shall not be effective until executed by the City and the District.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Thornton, Colorado, this 24th day of February, 2004.

CITY OF THORNTON, COLORADO

  
\_\_\_\_\_  
Noel I. Busck, Mayor

ATTEST:

  
\_\_\_\_\_  
Nancy A. Vincent, City Clerk

**EXHIBIT J**

**District Court Petition**

<b>DISTRICT COURT, COUNTY OF ADAMS, STATE OF COLORADO</b>  Adams County Justice Center 1100 Judicial Center Drive Brighton, Colorado 80601	<b>▲ COURT USE ONLY ▲</b>
<b>PETITIONER: IN RE THE ORGANIZATION OF LARKRIDGE METROPOLITAN DISTRICT NO. 1</b>	
MaryAnn McGeady McGEADY SISNEROS, P.C. 1675 Broadway, Suite 2100 Denver, CO 80202 Phone: (303) 592-4380 Fax: (303) 592-4385 E-mail: mmcgeady@mcgeadysisneros.com Atty. Reg#: 12417	Case Number: _____  Div.: _____ Ctrm.: _____
<b>PETITION FOR ORGANIZATION</b>	

**TO THE HONORABLE DISTRICT COURT IN AND FOR THE COUNTY OF ADAMS COUNTY, AND STATE OF COLORADO:**

We, the undersigned, constituting more than thirty percent (30%) or two hundred (200) of the taxpaying electors of the District, whichever number is the smaller, present this Petition for the organization of a metropolitan district, pursuant to and in accordance with Title 32, Article 1, Part 3, Colorado Revised Statutes, and in support of the Petition state:

1. That attached hereto as **Exhibit A** is the Service Plan for the proposed District approved by the City Council of the City of Thornton, Colorado and attached hereto as **Exhibit B**, is the Resolution of the City Council of the City of Thornton, Colorado, approving the Organization of Larkridge Metropolitan District No. 1, adopted by said City Council in compliance with Section 32-1-205, C.R.S.

2. The name of the proposed District is "Larkridge Metropolitan District No. 1" in the City of Thornton, Colorado.

3. The proposed District will have the power to provide the following service(s):

- (a) water;
- (b) wastewater and drainage;
- (c) streets and traffic safety protection;

- (d) parks and recreation;
- (e) transportation; and
- (f) mosquito control.

4. A general description of the facilities and improvements to be designed, constructed, installed, or purchased for the District are:

1. Water - The District shall have the power to provide for the design, acquisition, construction, completion and installation of a complete potable water supply transmission and distribution system, which may include, but shall not be limited to, transmission lines, distribution mains and laterals, fire hydrants, irrigation facilities, land and easements, and all necessary, incidental, and appurtenant facilities, together with extensions of and improvements to said system within and without the boundaries of the District.

Subject to the approval of the City Manager/Utilities Director, the District shall have the power to provide for the design, acquisition, construction, completion, installation, operation and maintenance of a non-potable water supply, purification, storage, transmission and distribution system, which may include, but shall not be limited to, wells, reservoirs, water pumps, purification plants, pump stations, transmission lines, distribution mains and laterals, irrigation facilities, canals, ditches, flumes, partial flumes, head gates, drop structures, storage facilities, land and easements, and all necessary incidental, and appurtenant facilities, together with extensions of and improvements to said system within and without the boundaries of the District.

2. Wastewater - The District shall have the power to provide for the design, acquisition, construction, completion and installation, of wastewater collection, treatment and transmission system which may include, but shall not be limited to, collection mains and laterals, transmission lines, and all necessary , incidental and appurtenant facilities, land and easements, together with extensions of and improvements to said system within and without the boundaries of the District.

Drainage – The District shall have the power to provide for the design, acquisition, construction, completion, installation, operation and maintenance of storm sewer, flood and surface drainage facilities and systems, including detention/retention ponds and associated irrigation facilities, relocation of existing irrigation ditches and canals and all necessary, incidental, and appurtenant

facilities together with extensions of and improvements to said system within and without the boundaries of the District.

3. Streets and Traffic Safety Protection - The District shall have the power to provide for the design, acquisition, construction, completion, relocation, installation and/or operation and maintenance of street improvements, including, but not limited to, curbs, gutters, culverts, and other drainage facilities, underground conduits, sidewalks, trails, bike paths and pedestrian ways, pedestrian overpasses, retaining walls, bridges, overpasses, underpasses, interchanges, parking areas, parking facilities, median islands, paving, lighting, grading, landscaping and irrigation, land and easements and all necessary, incidental, and appurtenant facilities within and without the boundaries of the District as well as for the acquisition, construction, completion, installation, and/or operation and maintenance of facilities and/or services for a system of traffic and safety controls and devices on streets and highways, including, but not limited to, signalization, signage and striping, area identification, driver information and directional assistance signs, and all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the boundaries of the District.
4. Parks and Recreation - The District shall have the power to provide for the design, acquisition, construction, completion, installation, operation and maintenance of parks and recreational facilities and programs including, but not limited to, open space, landscaping, irrigation facilities, and all necessary, incidental and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the boundaries of the District.
5. Transportation - The District shall have the power to provide for the design, acquisition, construction, completion, installation, operation and maintenance of a system to transport the public by bus, rail, or any other means of conveyance, or combination thereof, or pursuant to contract, including park and ride facilities and parking lots, structures and facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities of systems within and without the boundaries of the District.

6. Mosquito Control - The District shall have the power to provide for the eradication and control of mosquitoes, including, but not limited to, elimination or treatment of breeding grounds and purchase, lease, contracting or other use of equipment or supplies for mosquito control within the boundaries of the District.

5. The proposed District lies wholly or partly within the following special districts or municipalities:

- (a) City of Thornton;
- (b) Adams County
- (c) North Metro Fire & Rescue District
- (d) Adams County School District 12
- (e) Urban Drainage South Platte
- (f) Urban Drainage & Flood Control

6. The present estimated cost of the proposed facilities and improvements is \$7,730,855.

7. The proposed District is generally located south of 168<sup>th</sup> Avenue, east of I-25, west of Highway 7 and north of 164<sup>th</sup> Avenue in the City of Thornton. The legal description of the proposed District is attached hereto as Exhibit C.

8. The estimated property tax revenues for the proposed District's first budget year is \$-0-.

9. That each of the undersigned Petitioners does hereby consent to the inclusion in said proposed District of any and all lands owned by him or her located within said proposed District.

**WHEREFORE**, Petitioners pray that this Honorable Court will enter such orders and decrees as may be necessary or proper for the organization of said District and, for the submission to the electors of the proposed District at the organizational election, the submission of the proposition of issuing general obligation bonds or creating other general obligation indebtedness or any question or questions necessary to implement the provisions of Section 20 of Article X of the Colorado Constitution, as applied to the proposed District.

7.

Print Name

Signature

8.

Print Name

Signature

9.

Print Name

Signature

10.

Print Name

Signature



<b>DISTRICT COURT, COUNTY OF ADAMS, STATE OF COLORADO</b>  Adams County Justice Center 1100 Judicial Center Drive Brighton, Colorado 80601	
<b>PETITIONER: IN RE THE ORGANIZATION OF LARKRIDGE METROPOLITAN DISTRICT NO. 1</b>	<b>▲ COURT USE ONLY ▲</b>
MaryAnn McGeady McGEADY SISNEROS, P.C. 1675 Broadway, Suite 2100 Denver, CO 80202 Phone: (303) 592-4380 Fax: (303) 592-4385 E-mail: mmcgeady@mcgeadysisneros.com Atty. Reg#: 12417	Case Number: _____  Div.: _____ Ctrm.: _____
<b>AFFIDAVIT</b>	

\_\_\_\_\_, being first duly sworn on oath, deposes and says:

That he is one of the Petitioners named in the foregoing Petition; that he has read said Petition and knows the contents thereof and that the same is true to the best of affiant's knowledge, information, and belief.

Affiant further states that he knows the persons whose names are subscribed to the foregoing Petition, that he has circulated the Petition, that each signature thereon was affixed in his presence and that each signature thereon is the true, genuine, and correct signature of the person it purports to be.

Affiant further states that to his best knowledge and belief the persons whose names are subscribed to the foregoing Petition are persons who are registered to vote pursuant to the "Uniform Election Code of 1992," articles 1 to 13 of Title 1, C.R.S., and who, or whose spouse, owns taxable real or personal property within the area to be included in the proposed Larkridge Metropolitan District No. 1, whether or not such person resides within said proposed District.

\_\_\_\_\_  
\_\_\_\_\_, Affiant

\_\_\_\_\_  
\_\_\_\_\_  
(Address of Affiant)

STATE OF COLORADO                    )  
                                                  ) ss.  
COUNTY OF \_\_\_\_\_

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_ day of \_\_\_\_\_,  
2004.

Witness my hand and official seal.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

(S E A L)

**EXHIBIT A**  
**SERVICE PLAN**

**EXHIBIT B**

**RESOLUTION OF APPROVAL**

**EXHIBIT C**

**LEGAL DESCRIPTION**

**EXHIBIT K**

**Bond Counsel Opinion and Draft Debt Election Questions**

# KUTAK ROCK LLP

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1801 CALIFORNIA STREET  
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303-297-2400  
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ATLANTA  
CHICAGO  
FAYETTEVILLE  
IRVINE  
KANSAS CITY  
LINCOLN  
LITTLE ROCK  
NEWPORT BEA  
OKLAHOMA CIT  
OMAHA  
PASADENA  
RICHMOND  
SCOTTSDALE  
WASHINGTON

December 19, 2003

Thornton City Councilmembers  
Thornton, Colorado

Larkridge Metropolitan District No. 1  
In the City of Thornton, Colorado  
Proposed Limited Tax General Obligation Bonds

Ladies and Gentlemen:

We have been named as bond counsel to the Larkridge Metropolitan District No. 1, Thornton, Colorado (the "District") in connection with the proposed issuance of its Limited Tax General Obligation Bonds (the "Bonds") in a principal amount estimated at \$9,690,000, but not to exceed \$12,595,000, all as further described in the Service Plan for the District ("Service Plan") to be filed with the City of Thornton (the "City") on or about December 19, 2003. Pursuant to the requirements established by the City for the formation of special districts under Article 1 of Title 32 of the Colorado Revised Statutes (the "Act") and in anticipation of our role as bond counsel to the District, we have been requested to submit our opinion regarding the enumerated matters set forth below. Such matters generally reflect the form of opinion given by us, as bond counsel, on the date of issuance of the Bonds.

In rendering this opinion, we make the following assumptions: (i) the Bonds will be structured substantially as described in the Service Plan; (ii) the Service Plan will be duly approved by the City in substantially the form in which it was submitted; (iii) the District has been duly and properly organized in accordance with the provisions of the Act; (iv) the election to be held by the District to obtain voter authorization for the Bonds in May 2004 will be duly and properly conducted, and the issuance of the Bonds will be approved by majority vote of the District's qualified electors voting at such election; (v) the Board of Directors of the District will duly adopt a resolution authorizing the issuance of the Bonds (the "Bond Resolution") and such Bond Resolution will be valid and enforceable in accordance with its terms and will be in full force and effect on the date of issuance of the Bonds; (vi) the Bonds will mature on the dates, be subject to optional and mandatory redemption, bear interest at the rates, and be transferable and payable in the manner and be subject to the conditions and limitations provided in the Bond Resolution at the time the Bonds are issued; and (vii) standard opinions of other counsel will be delivered at closing on the Bonds. We are also assuming that the applicable provisions of the Constitution and laws of the State of Colorado, the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations, rulings and judicial decisions relevant to the Bonds, and other relevant regulations, rulings and judicial decisions applicable to the Bonds will be in effect on the date of issuance of the Bonds in substantially the form and content as they exist today. As to questions of fact material to our opinion, we have relied upon the representations of the District contained in the Service Plan without undertaking to verify the same by

independent investigation. We also must note that, as to questions of fact material to our opinion as bond counsel on the date of issuance of the Bonds, we will be relying upon the representations of the District contained in the Bond Resolution and in the certified proceedings, and certifications of public officials and other persons or entities involved in the transaction that are furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, as of the date hereof, that we will be willing and able to render an unqualified, approving opinion on the Bonds as to the following matters:

1. Lawful authority exists for the Bonds to be issued under the constitution and laws of the State of Colorado.
2. The Bonds in the maximum principal amount stated above would be valid and binding general obligations of the District, subject to a limited mill levy, and would be legally enforceable in accordance with their terms.
3. All taxable property within the boundaries of the District will be subject to an ad valorem tax levy sufficient to pay the principal of and the interest on the Bonds not paid from other sources. Initially, the tax levy will be limited to 50 mills. The District will be required by law to include the principal of and interest coming due on the Bonds in its annual tax levy to the extent the necessary funds are not provided from other sources.
4. Under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds will be excluded from gross income for federal income tax purposes and will not be a specific preference item for purposes of the federal alternative minimum tax. The opinions set forth in the preceding sentence assume compliance by the District with certain requirements of the Code that must be met subsequent to the issuance of the Bonds. Failure to comply with such requirements could cause such interest to be includible in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.
5. Under existing State of Colorado statutes, the Bonds and the interest income therefrom will be exempt from Colorado income tax.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Bond Resolution may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof for the purpose of meeting the City's requirements for Service Plan approval.

/s/ Kutak Rock LLP



**LARKRIDGE METROPOLITAN DISTRICT NO. 1  
BALLOT QUESTIONS**

**OPERATIONS AND MAINTENANCE**

SHALL LARKRIDGE METROPOLITAN DISTRICT NO. 1 TAXES BE INCREASED \$100,000 ANNUALLY OR SUCH LESSER AMOUNT AS NECESSARY TO PAY THE DISTRICT'S ADMINISTRATION, OPERATIONS, MAINTENANCE, LANDSCAPE MAINTENANCE AND OTHER EXPENSES, AND SHALL PROPERTY TAXES BE IMPOSED IN ANY YEAR AT A RATE AND IN AN AMOUNT NECESSARY TO RAISE THE NECESSARY REVENUES TO PAY SUCH EXPENSES AND SHALL THE PROCEEDS OF SUCH TAXES AND ANY INVESTMENT INCOME THEREON BE COLLECTED AND SPENT BY THE DISTRICT IN FISCAL YEAR 2004 AND IN EACH YEAR THEREAFTER FOR AS LONG AS THE DISTRICT CONTINUES IN EXISTENCE, WITHOUT LIMITATION BY THE REVENUE AND SPENDING LIMITS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION AND WITHOUT REGARD TO THE LIMITATION ON PROPERTY TAXATION IN 29-1-301, C.R.S. OR ANY OTHER STATUTORY OR CONSTITUTIONAL PROVISION THAT PURPORTS TO LIMIT THE DISTRICT'S REVENUES OR EXPENDITURES?

**WATER IMPROVEMENTS**

SHALL LARKRIDGE METROPOLITAN DISTRICT NO. 1 DEBT BE INCREASED \$1,400,000 WITH A REPAYMENT COST OF \$6,440,000 OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, AND SHALL LARKRIDGE METROPOLITAN DISTRICT NO. 1 TAXES BE INCREASED \$6,440,000 ANNUALLY OR SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT AND ANY REFUNDINGS THEREOF, SUCH DEBT TO BE GENERAL OBLIGATION BONDS, REVENUE BONDS OR OTHER OBLIGATIONS OF THE DISTRICT, INCLUDING CONTRACTS, LEASES, AND INTERGOVERNMENTAL AGREEMENTS (THE "BONDS"), ALL FOR THE PURPOSES OF PAYING, LEASING, FINANCING, OR REIMBURSING ALL OR ANY PART OF THE COSTS OF DESIGNING, ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, A SYSTEM TO SUPPLY WATER FOR DOMESTIC AND OTHER PUBLIC AND PRIVATE PURPOSES BY ANY AVAILABLE MEANS AND TO PROVIDE ALL NECESSARY OR PROPER RESERVOIRS, TREATMENT WORKS AND FACILITIES, EQUIPMENT, AND APPURTENANCES INCIDENT THERETO, WHICH MAY INCLUDE, BUT SHALL NOT BE LIMITED TO, WELLS, WATER PUMPS, PURIFICATION PLANTS, PUMP STATIONS, TRANSMISSION LINES, DISTRIBUTION MAINS AND LATERALS, FIRE HYDRANTS, IRRIGATION FACILITIES, CANALS, DITCHES, FLUMES, PARTIAL FLUMES, HEADGATES, DROP STRUCTURES, STORAGE FACILITIES, LAND, EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SUCH FACILITIES, SUCH BONDS TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 12%, BE REFINANCED AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF THE MAXIMUM NET EFFECTIVE INTEREST RATE WITHOUT ADDITIONAL VOTER APPROVAL AND MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT

PREMIUM, AND BE ISSUED, DATED AND SOLD AT, ABOVE OR BELOW PAR, AND AT SUCH TIME OR TIMES AND IN SUCH MANNER AND CONTAINING SUCH TERMS, NOT INCONSISTENT HERewith, AS THE BOARD OF DIRECTORS MAY DETERMINE; AND IN CONNECTION THEREWITH (I) TO INCREASE THE DISTRICT'S PROPERTY TAXES IN ANY YEAR, WITHOUT LIMITATION AS TO RATE OR AMOUNT, IN AN AMOUNT SUFFICIENT TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS WHEN DUE, AND (II) TO AUTHORIZE THE COLLECTION AND SPENDING OF THE PROCEEDS OF THE BONDS, THE REVENUES FROM SUCH TAXES, ANY OTHER REVENUES USED TO PAY THE BONDS AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES AS VOTER-APPROVED REVENUE CHANGES, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

### **SANITATION IMPROVEMENTS**

SHALL LARKRIDGE METROPOLITAN DISTRICT NO. 1 DEBT BE INCREASED \$7,300,000 WITH A REPAYMENT COST OF \$33,580,000 OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, AND SHALL LARKRIDGE METROPOLITAN DISTRICT NO. 1 TAXES BE INCREASED \$33,580,000 ANNUALLY OR SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT AND ANY REFUNDINGS THEREOF, SUCH DEBT TO BE GENERAL OBLIGATION BONDS, REVENUE BONDS OR OTHER OBLIGATIONS OF THE DISTRICT, INCLUDING CONTRACTS, LEASES, AND INTERGOVERNMENTAL AGREEMENTS (THE "BONDS"), ALL FOR THE PURPOSES OF PAYING, LEASING, FINANCING OR REIMBURSING ALL OR ANY PART OF THE COSTS OF DESIGNING, ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, STORM OR SANITARY SEWERS, OR BOTH, FLOOD AND SURFACE DRAINAGE, TREATMENT AND DISPOSAL WORKS AND FACILITIES, OR SOLID WASTE DISPOSAL FACILITIES OR WASTE SERVICES, AND ALL NECESSARY OR PROPER EQUIPMENT AND APPURTENANCES INCIDENT THERETO, WHICH MAY INCLUDE, BUT SHALL NOT BE LIMITED TO, TREATMENT PLANTS, COLLECTION MAINS AND LATERALS, LIFT STATIONS, TRANSMISSION LINES, CANALS, SLUDGE HANDLING, REUSE AND DISPOSAL FACILITIES, AND/OR STORM SEWER, FLOOD AND SURFACE DRAINAGE FACILITIES AND SYSTEMS, INCLUDING DETENTION/RETENTION PONDS, BOX CULVERTS AND ASSOCIATED IRRIGATION FACILITIES, EQUIPMENT, LAND, EASEMENTS AND SEWER TAPS, AND EXTENSIONS OF AND IMPROVEMENTS TO SUCH FACILITIES, SUCH BONDS TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 12%, BE REFINANCED AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF THE MAXIMUM NET EFFECTIVE INTEREST RATE WITHOUT ADDITIONAL VOTER APPROVAL AND MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED, DATED AND SOLD AT, ABOVE OR BELOW PAR, AND AT SUCH TIME OR TIMES AND IN SUCH MANNER AND CONTAINING SUCH TERMS, NOT INCONSISTENT HERewith, AS THE BOARD OF DIRECTORS MAY DETERMINE; AND IN CONNECTION THEREWITH (I) TO INCREASE THE DISTRICT'S PROPERTY TAXES IN ANY YEAR, WITHOUT LIMITATION AS TO

RATE OR AMOUNT, IN AN AMOUNT SUFFICIENT TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS WHEN DUE, AND (II) TO AUTHORIZE THE COLLECTION AND SPENDING OF THE PROCEEDS OF THE BONDS, THE REVENUES FROM SUCH TAXES, ANY OTHER REVENUE USED TO PAY THE BONDS AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES AS VOTER-APPROVED REVENUE CHANGES, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

#### **STREET AND SAFETY PROTECTION IMPROVEMENTS**

SHALL LARKRIDGE METROPOLITAN DISTRICT NO. 1 DEBT BE INCREASED \$3,895,000 WITH A REPAYMENT COST OF \$17,917,000 OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, AND SHALL LARKRIDGE METROPOLITAN DISTRICT NO. 1 TAXES BE INCREASED \$17,917,000 ANNUALLY OR SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT AND ANY REFUNDINGS THEREOF, SUCH DEBT TO BE GENERAL OBLIGATION BONDS, REVENUE BONDS, OR OTHER OBLIGATIONS OF THE DISTRICT, INCLUDING CONTRACTS, LEASES, AND INTERGOVERNMENTAL AGREEMENTS (THE "BONDS"), ALL FOR THE PURPOSES OF PAYING, LEASING, FINANCING OR REIMBURSING ALL OR ANY PART OF THE COSTS OF DESIGNING, ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, STREET IMPROVEMENTS THROUGH THE CONSTRUCTION AND INSTALLATION OF CURBS, GUTTERS, CULVERTS, AND OTHER DRAINAGE FACILITIES, UNDERGROUND CONDUITS, SIDEWALKS, TRAILS, BRIDGES, PARKING FACILITIES, PARKING AREAS, PAVING, LIGHTING, GRADING, LANDSCAPING, AND OTHER STREET IMPROVEMENTS, INCLUDING BIKE PATHS AND PEDESTRIAN WAYS, PEDIASRIAN OVERPASSES, RETAINING WALLS, FENCING, ENTRY MONUMENTATION, STREETSCAPING, BRIDGES, OVERPASSES, UNDERPASSES, INTERCHANGES, MEDIAN ISLANDS, IRRIGATION, AND A SAFETY PROTECTION SYSTEM THROUGH TRAFFIC AND SAFETY CONTROLS AND DEVICES ON STREETS AND HIGHWAYS AND AT RAILROAD CROSSINGS, INCLUDING, BUT NOT LIMITED TO, SIGNALIZATION, SIGNING AND STRIPING, AREA IDENTIFICATION, DRIVER INFORMATION AND DIRECTIONAL ASSISTANCE SIGNS, TOGETHER WITH ALL NECESSARY, INCIDENTAL, AND APPURTENANT FACILITIES, EQUIPMENT, LAND AND EASEMENTS AND EXTENSIONS OF AND IMPROVEMENTS TO SUCH FACILITIES, SUCH BONDS TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 12%, BE REFINANCED AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF THE MAXIMUM NET EFFECTIVE INTEREST RATE WITHOUT ADDITIONAL VOTER APPROVAL AND MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED, DATED AND SOLD AT, ABOVE OR BELOW PAR, AND AT SUCH TIME OR TIMES AND IN SUCH MANNER AND CONTAINING SUCH TERMS, NOT INCONSISTENT HERewith, AS THE BOARD OF DIRECTORS MAY DETERMINE; AND IN CONNECTION THEREWITH (I) TO INCREASE THE DISTRICT'S PROPERTY TAXES IN ANY YEAR, WITHOUT LIMITATION AS TO RATE OR AMOUNT, IN AN AMOUNT SUFFICIENT TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS WHEN

DUE, AND (II) TO AUTHORIZE THE COLLECTION AND SPENDING OF THE PROCEEDS OF THE BONDS, THE REVENUES FROM SUCH TAXES, ANY OTHER REVENUES USED TO PAY THE BONDS AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES AS VOTER-APPROVED REVENUE CHANGES, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

#### **OPERATIONS AND MAINTENANCE DEBT**

SHALL LARKRIDGE METROPOLITAN DISTRICT NO. 1 DEBT BE INCREASED \$500,000 WITH A REPAYMENT COST OF \$2,300,000 OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, AND SHALL LARKRIDGE METROPOLITAN DISTRICT NO. 1 TAXES BE INCREASED \$2,300,000 ANNUALLY OR SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT AND ANY REFUNDINGS THEREOF, SUCH DEBT OR MULTIPLE FISCAL YEAR OBLIGATION TO CONSIST OF GENERAL OBLIGATION BONDS, REVENUE BONDS OR OTHER OBLIGATIONS OF THE DISTRICT, INCLUDING CONTRACTS AND AGREEMENTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, FINANCING OR REFINANCING ALL OR ANY PART OF THE DISTRICT'S OPERATING EXPENSES, OR ADVANCES OF OPERATING EXPENSES MADE TO THE DISTRICT, SUCH DEBT OR MULTIPLE FISCAL YEAR OBLIGATION TO BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 12% PER ANNUM, SUCH INTEREST TO ACCRUE UNTIL PAID AND TO COMPOUND ANNUALLY OR SEMIANNUALLY AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS, SUCH DEBT OR MULTIPLE FISCAL YEAR OBLIGATION TO BE INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE, BE SUBJECT TO REDEMPTION OR PREPAYMENT, WITH OR WITHOUT PREMIUM, AND TO CONTAIN SUCH TERMS, NOT INCONSISTENT HERewith AS THE BOARD OF DIRECTORS MAY DETERMINE, TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE REVENUES DERIVED FROM INTEREST EARNINGS AND FROM THE OPERATION OF ANY OF THE DISTRICT'S FACILITIES OR PROPERTIES; AND IN CONNECTION THEREWITH (I) TO INCREASE THE DISTRICT'S PROPERTY TAXES IN ANY YEAR, WITHOUT LIMITATION AS TO RATE OR AMOUNT, IN AN AMOUNT SUFFICIENT TO PAY THE PRINCIPAL OF, AND INTEREST ON THE DEBT OR MULTIPLE FISCAL YEAR OBLIGATION WHEN DUE, AND (II) TO AUTHORIZE THE COLLECTION AND SPENDING OF ANY PROCEEDS OF THE DEBT OR MULTIPLE FISCAL YEAR OBLIGATION, THE REVENUES FROM SUCH TAXES, ANY OTHER REVENUES USED TO PAY THE DEBT OR MULTIPLE FISCAL YEAR OBLIGATION AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES AS VOTER-APPROVED REVENUE CHANGES, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

#### **REFUNDING**

SHALL LARKRIDGE METROPOLITAN DISTRICT NO. 1 DEBT BE INCREASED \$13,095,000 WITH A REPAYMENT COST OF \$60,237,000 OR SUCH LESSER AMOUNT

AS MAY BE NECESSARY, AND SHALL LARKRIDGE METROPOLITAN DISTRICT NO. 1 TAXES BE INCREASED \$60,237,000 ANNUALLY OR SUCH LESSER AMOUNT AS MAY BE NECESSARY FOR THE PAYMENT OF SUCH DEBT AND ANY REFUNDINGS THEREOF, SUCH DEBT TO BE GENERAL OBLIGATION BONDS, REVENUE BONDS OR OTHER OBLIGATIONS OF THE DISTRICT, INCLUDING CONTRACTS, LEASES, AND INTERGOVERNMENTAL AGREEMENTS (THE "BONDS"), ALL FOR THE PURPOSE OF REFUNDING, REFINANCING OR DEFEASING ANY OR ALL OF THE DISTRICT'S DEBT OR OTHER OBLIGATIONS AT AN INTEREST RATE THAT IS EQUAL TO, LOWER OR HIGHER THAN THE INTEREST RATE ON THE REFUNDED BONDS, BUT IS NOT IN EXCESS OF THE MAXIMUM NET EFFECTIVE INTEREST RATE OF 12%, SUCH BONDS TO MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED, DATED AND SOLD AT, ABOVE OR BELOW PAR, AT SUCH TIME OR TIMES AND IN SUCH MANNER AND CONTAINING SUCH TERMS, NOT INCONSISTENT HEREWITH, AS THE BOARD OF DIRECTORS MAY DETERMINE, AND IN CONNECTION THEREWITH (I) TO INCREASE THE DISTRICT'S PROPERTY TAXES IN ANY YEAR, WITHOUT LIMITATION AS TO RATE OR AMOUNT, IN AN AMOUNT SUFFICIENT TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS WHEN DUE, AND (II) TO AUTHORIZE THE COLLECTION AND SPENDING OF THE PROCEEDS OF THE BONDS, THE REVENUES FROM SUCH TAXES, ANY OTHER REVENUES USED TO PAY THE BONDS AND ANY EARNINGS FROM THE INVESTMENT OF SUCH PROCEEDS AND REVENUES AS VOTER-APPROVED REVENUE CHANGES, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

#### **DE-BRUCING**

SHALL LARKRIDGE METROPOLITAN DISTRICT NO. 1 BE AUTHORIZED TO COLLECT, RETAIN, AND SPEND THE FULL AMOUNT OF ALL TAXES, TAP FEES, FACILITY FEES, SERVICE CHARGES, INSPECTION CHARGES, ADMINISTRATIVE CHARGES, GRANTS OR ANY OTHER FEE, RATE, TOLL, PENALTY, OR CHARGE AUTHORIZED BY LAW TO BE IMPOSED OR COLLECTED BY THE DISTRICT AND ANY OTHER REVENUES OR INCOME LAWFULLY RECEIVED BY THE DISTRICT DURING 2002 AND EACH YEAR THEREAFTER, WITHOUT LIMITATION BY THE REVENUE AND SPENDING LIMITS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, THE LIMITS IMPOSED ON INCREASES IN PROPERTY TAXATION BY SECTION 29-1-301, C.R.S., OR ANY OTHER LAW WHICH PURPORTS TO LIMIT THE DISTRICT'S REVENUES OR EXPENDITURES?

**EXHIBIT L**

**Initial Board of Directors**

**Jay Perlmutter**

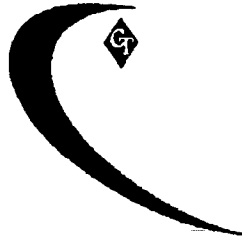
**John Perlmutter**

**Shell Cook**

**Douglas Ernst**

**James Smith**

**EXHIBIT M**  
**Title Commitment**



## CT ESCROW SERVICES, LLC

**Date: January 8, 2004**  
**Our File Number: CO12828 C2**

**Re: Larkridge Metropolitan District I /JP Thornton, LLC**  
**Property Address: Vacant Land**

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***Title Officer: Jef Stanton – [jstanton@chancerytitle.com](mailto:jstanton@chancerytitle.com) – 303.550.9413***

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### **Delivery List**

Silverman & Riley  
1601 Blake Street, Suite 310  
Denver, CO 80202  
Attn: William S. Silverman  
Ph: 303.623.6966 Fax: 303.623.4812  
[wsilverman@silvermanriley.com](mailto:wsilverman@silvermanriley.com)

**Attached please find: Revised Title Commitment**

**This revision includes the following changes:**  
See Schedule A, Item 3 – title vesting  
Exception 29 has been deleted  
See new Exception 38

3950 Lewiston Street ♦ Suite 100 ♦ Aurora, Colorado 80011-1556  
303-373-5500 ♦ Fax: 303-373-5548





# Commitment for Title Insurance

**Fidelity National Title Insurance Company**  
A Stock Company

## COMMITMENT FOR TITLE INSURANCE

FIDELITY NATIONAL TITLE INSURANCE COMPANY, a Corporation, herein called the Company, for valuable consideration, hereby commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed insured named in Schedule A, as owner or mortgagee of the estate or interest covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefore; all subject to the provisions of Schedules A and B and to the Conditions and Stipulations hereof.

This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this Commitment or by subsequent endorsement.

This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate six (6) months after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company. This Commitment shall not be valid or binding until countersigned by an authorized officer or agent.

IN WITNESS WHEREOF, the Company has caused this Commitment to be signed and sealed, to become valid when countersigned by an authorized officer or agent of the Company, all in accordance with its By-Laws. This Commitment is effective as of the date shown in Schedule A as "Effective Date."

**Fidelity National Title Insurance Company**



BY

*[Handwritten Signature]*

President

ATTEST

*[Handwritten Signature]*

Secretary

Countersigned

*[Handwritten Signature]*

Authorized Signature

# COMMITMENT FOR TITLE INSURANCE

## SCHEDULE A

Commitment Number CO00012828 C2

PROPERTY ADDRESS:

Vacant Land

SCHEDULE #: Multiple Parcels

1. Effective date: January 1, 2004 at 7:30 a.m.

2. Policy or policies to be issued:

A. None - Proposed Insured:

Amount

Premium

\$

\$

B. None - Proposed Insured:

\$

\$

C. None - Proposed Insured:

\$

\$

Informational Commitment

\$ 495.00

\$

\$

\$

\$

\$

\$

\$

\$

TOTAL

\$ 495.00

3. The estate or interest in the land described or referred to in this commitment and covered herein is fee simple and title thereto is at the effective date hereof vested in:

**JP Thornton LLC, a Colorado limited liability company,  
The Weaver Family Limited Partnership, a Colorado limited partnership,  
The Farmer's Reservoir and Irrigation Co., a Colorado non-profit corporation,  
the County of Adams, State of Colorado, and  
the State Department of Highways Division of Highways, State of Colorado,  
as their respective interests may appear.**

4. The land referred to in this commitment is described as follows:

**See Exhibit A attached hereto and made a part hereof.**

**Exhibit A - Legal Description**

LARKRIDGE DEVELOPMENT

A PARCEL OF LAND SITUATED IN PART OF THE EAST ONE-HALF OF SECTION 3 AND THE NORTHWEST ONE-QUARTER OF SECTION 2, TOWNSHIP ONE SOUTH, RANGE 68 WEST OF THE 6<sup>th</sup> PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHEAST CORNER OF SAID SECTION 3; THENCE SOUTH 00°21'00" WEST, ALONG THE EAST LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 3, A DISTANCE OF 88.01 FEET TO THE TRUE POINT OF BEGINNING;

- 1) THENCE NORTH 86°52'38" EAST A DISTANCE OF 30.05 FEET TO THE BEGINNING OF A NON TANGENT 1357.50 FOOT RADIUS CURVE WHOSE CENTER BEARS SOUTH 05°54'45" WEST;
- 2) THENCE SOUTHEASTERLY, ALONG SAID CURVE AND THE SOUTHWESTERLY LINE OF STATE HIGHWAY "7", THROUGH A CENTRAL ANGLE OF 40°07'52" AN ARC DISTANCE OF 950.82 FEET TO THE POINT OF REVERSE CURVATURE WITH A NON-TANGENT 1357.50 FOOT RADIUS CURVE WHOSE CENTER BEARS NORTH 49°00'41" EAST;
- 3) THENCE SOUTHEASTERLY, ALONG SAID CURVE AND THE SOUTHWESTERLY LINE OF STATE HIGHWAY "7", THROUGH A CENTRAL ANGLE OF 2°24'21" AN ARC DISTANCE OF 57.00 FEET;
- 4) THENCE NON-TANGENT TO THE LAST DESCRIBED CURVE SOUTH 37°33'30" EAST, ALONG THE SOUTHWESTERLY LINE OF STATE HIGHWAY "7", A DISTANCE OF 292.00 FEET;
- 5) THENCE SOUTH 35°29'35" EAST, ALONG THE SOUTHWESTERLY LINE OF STATE HIGHWAY "7", A DISTANCE OF 2041.83 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHWEST ONE QUARTER OF SAID SECTION 2, SAID POINT BEING NORTH 89°55'20" WEST A DISTANCE OF 365.64 FEET FROM THE CENTER OF SAID SECTION 2;
- 6) THENCE NORTH 89°55'20" WEST, ALONG THE SOUTH LINE OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 2, A DISTANCE OF 2283.46 FEET TO THE WEST ONE-QUARTER CORNER OF SAID SECTION 2;
- 7) THENCE NORTH 89°39'04" WEST, ALONG THE SOUTH LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 3, A DISTANCE OF 75.00 FEET;
- 8) THENCE SOUTH 00°21'00" WEST A DISTANCE OF 327.12 FEET;
- 9) THENCE NORTH 90°00'00" WEST A DISTANCE OF 1647.46 FEET TO THE EASTERLY LINE OF INTERSTATE "25" AS MONUMENTED;
- 10) THENCE NORTH 22°25'51" EAST. ALONG SAID EASTERLY LINE. A DISTANCE OF 363.85 FEET TO THE SOUTH LINE OF THE NORTHEAST ONE-QUARTER OF SAID SECTION 3;
- 11) THENCE NORTH 89°39'04" WEST, ALONG SAID SOUTH LINE, A DISTANCE OF 2.18 FEET TO THE EASTERLY LINE OF INTERSTATE "25" AS MONUMENTED;
- 12) THENCE NORTH 22°30'40" EAST, ALONG SAID EASTERLY LINE, A DISTANCE OF 1216.19 FEET;
- 13) THENCE NORTH 32°43'55" EAST, ALONG SAID EASTERLY LINE, A DISTANCE OF 445.00 FEET;
- 14) THENCE NORTH 31°38'40" EAST, ALONG SAID EASTERLY LINE, A DISTANCE OF 118.30 FEET;
- 15) THENCE NORTH 37°09'25" EAST, ALONG SAID EASTERLY LINE, A DISTANCE OF 215.80 FEET;
- 16) THENCE NORTH 23°37'55" EAST, ALONG SAID EASTERLY LINE, A DISTANCE OF 462.70 FEET;
- 17) THENCE NORTH 38°01'24" EAST A DISTANCE OF 141.93 FEET;
- 18) THENCE NORTH 86°52'38" EAST A DISTANCE OF 431.18 FEET TO THE POINT OF BEGINNING;

COUNTY OF ADAMS,  
STATE OF COLORADO.

ROBERT L. MEADOWS JR., PLS 34977  
PREPARED ON BEHALF OF MATRIX DESIGN GROUP, INC.  
1601 BLAKE STREET, SUITE 200  
DENVER, CO 80202  
303.572.0200

**SCHEDULE B-1 Requirements**

The following are to be complied with:

- A. Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.
- B. Proper instrument(s) creating the estate or interest to be insured must be executed and duly filed for record, to-wit:
  - i. None.
- C. This commitment is issued for informational purposes only and is subject to further requirements and/or exceptions upon disclosure to the Company of the proposed insured. The Work Charge herein will not be applicable upon consummation of a transaction wherein the Company is paid a premium for an insured amount. Until such time, liability is limited to the amount paid for this report.

## SCHEDULE B-2 Exceptions

The policy or policies to be issued will contain exceptions to the following unless the same are disposed of to the satisfaction of the Company:

1. Rights or claims of parties in possession not shown by the public records.
2. Easements or claims of easements, not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortages in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. Any lien, or right to a lien for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Defects, liens, encumbrances, adverse claims, or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires of record for value the estate or interest or mortgage thereon covered by this Commitment.
6. Taxes and assessments which are a lien or are now due and payable; any tax, special assessment, charge or lien imposed for or by any special taxing district or for water or sewer service; any unredeemed tax sales.
7. Water rights, claims or title to water, whether or not shown by the public records.
8. Right of way for Standley Lake Canal No. 1 recorded on Ditch Plat Map 1 at Page 88.
9. The right of the proprietor of a vein or lode to extract or remove his ore, should the same be found to penetrate or intersect the premises thereby granted and right of way for ditches or canals recorded November 21, 1904, in Book 16 at Page 246.
10. Easement for ditches and canals, and incidental purposes, as set forth in an instrument recorded April 22, 1916, in Book 79 at Page 82.
11. An easement and right of way as granted to Syco Pipeline Company, for pipelines and incidental purposes in instrument recorded May 26, 1947 in Book 337 at Page 1.
12. Mineral rights and any leases and assignments of same as reserved in Deed recorded September 23, 1948, in Book 363 at Page 475, and any and all assignments thereof or interest therein.

NOTE: Affidavit of Extension recorded May 13, 1993, in Book 4071 at Page 983 and Notice of Right to Use Surface Lands recorded November 12, 1998, in Book 5535 at Page 727.

13. The relinquishment of access rights to and from Interstate Highway I-25, a/k/a State Highway No. 185, as conveyed by deed recorded August 21, 1953 in Book 473 at Page 48, October 25, 1958 in Book 741 at Page 135, and March 26, 1973 in Book 1852 at Page 939.
14. Easement for utility line, and other purposes, granted to Public Service Company Of Colorado in instruments recorded August 22, 1955 in Book 565 at Page 122, and August 18, 1992 in Book 1815 at Page 347.
15. Easements and rights of way for utilities and incidental purposes, as set forth in an instrument recorded October 5, 1955, in Book 573 at Page 306, and amended in instruments recorded December 10, 1955, in Book 580 at Page 118 and December 31, 1962 in Book 1025 at Page 26.
16. Easement and right of way for highway purposes as set forth in an instrument recorded February 10, 1956, in Book 595 at Page 281.
17. Easement for utilities and incidental purposes, to Public Service Company of Colorado, as set forth in an instrument recorded

## SCHEDULE B-2 - Continued

Commitment Number CO00012828 C2

September 27, 1969, in Book 1100 at Page 210.

18. An Oil and Gas lease from John S. Standley as Lessor to Byron Oil Industries, Inc., as Lessee, recorded November 22, 1974 in Book 1964 at Page 997, and any and all assignments thereof or interest therein.
19. An Oil and Gas Lease from 168th Company, a General partnership as Lessor to Byron Oil Industries, Inc., as Lessee dated July 29, 1975, recorded August 25, 1975 in Book 2013 at Page 325 and any and all assignments thereof or interests therein.

NOTE: Notice of right to Use Surface of Land in connection with Oil and Gas Lease recorded August 25, 1998 in Book 5442 at Page 135.

20. Oil and Gas Lease as set forth in an instrument recorded January 16, 1986, in Book 3100 at Page 144.
21. Easement for irrigation ditch, and other purposes, granted to Farmers Reservoir and Irrigation Company, by instrument recorded January 15, 1988 in Book 3408 at Page 296.
22. Terms, conditions, provisions, agreement and obligations specified in the Ordinance recorded July 5, 1990 in Book 3689 at Page 29 pertaining to Annexation.
23. Intentionally deleted - 12/29/2003.
24. An easement for underground utilities and incidental purposes granted to the City of Thornton by the instrument recorded April 20, 1992 in Book 3893 at Page 136.
25. The effect of annexation in to the City of Thornton evidenced by Annexation Map recorded August 4, 1992 at Reception Number B1082077, File 17, Map 79.
26. Oil and Gas Lease as set forth in an instrument recorded August 26, 1992, in Book 3945 at Page 821, and Extension of Oil and Gas Lease recorded November 3, 1993, in Book 4184 at Page 549.
27. Easement for electrical transmission lines, and other purposes, granted to Public Service Company of Colorado in instrument recorded April 1, 1994 in Book 4288 at Page 899.
28. Terms, conditions, provisions, obligations, and easements as set forth in Right-of-Way Grant recorded January 30, 1995 in Book 4459 at page 447.
29. Intentionally deleted - 1/8/04 JS.
30. Each and every right or rights of access to and from any part of the Right of Way as set forth in an instrument recorded October 10, 2001 at Reception Number C0870005.
31. Terms, conditions, provisions, obligations and easements as set forth in Multi-Use Easement Agreement recorded October 10, 2001 at Reception Number C0870006.
32. Terms, condition and effect of Request for Notification recorded July 3, 2002 at Reception Number C0991846.
33. Memorandum of Contract, and the terms and conditions contained therein, between North Denver Land Trust L.L.C. as Seller, and JP Thornton LLC, a Colorado limited liability company, as Buyer, recorded February 5, 2003, a Reception Number C1090586, and additional Memorandum of Contract recorded June 2, 2003 at Reception Number C1151268.
34. Memorandum of Contract, and the terms and conditions contained therein, between The Weaver Family Limited Partnership, as Seller, and JP Thornton LLC, a Colorado limited liability company, as Purchaser, recorded February 5, 2003 at Reception Number

SCHEDULE B-2 - Continued

Commitment Number CO00012828 C2

C1090587.

35. The effect of Resolution recorded February 25, 2003 at Reception Number C1101379.
36. Notice of Lis Pendens issued by the Clerk of District Court, in Civil Action No. 03CV0674 entitled Curtis W. Wells, Plaintiff(s) vs The North Denver Land Trust, LL, et al, Defendant(s), recorded March 14, 2003 at Reception Number C1111268.

NOTE: Release of Lis Pendens recorded October 3, 2003 at Reception Number C1218761; said release was not executed by the Clerk of the Court.

37. Memorandum of Contract, and the terms and conditions contained therein, between Weaver Family Limited Partnership, a Colorado limited partnership as Seller, and JP Thomson LLC, a Colorado limited liability company, as Purchaser, recorded July 29, 2003 at Reception Number C1171764.
38. Deed of Trust from JP Thomson, LLC, to the Public Trustee of Adams, for the benefit of North Denver Land Trust L.L.C., securing an original principal indebtedness of \$5,186,202.10, and any other amounts and/or obligations, dated December 15, 2003, and recorded December 17, 2003 at Reception Number C1253762.

## DISCLOSURE ATTACHMENT

Pursuant to C.R.S. 30-10-406(3)(a) all documents received for recording or filing in the Clerk and Recorder's office shall contain a top margin of at least one inch and a left, right and bottom margin of at least one-half of an inch. The Clerk and Recorder will refuse to record or file any document that does not conform to the requirements of this section.

Pursuant to C.R.S. 39-22-604.5, if this transaction includes a sale of the property and the sales price exceeds \$100,000.00, the seller must comply with the disclosure/withholding requirements of said section. (Nonresident withholding)

Pursuant to C.R.S. 10-11-122, the company will not issue its policy or policies of title insurance contemplated by this commitment until it has been provided a Certificate of Taxes due or other equivalent documentation from the County Treasurer or the County Treasurer's authorized agent; or until the Proposed Insured has notified or instructed the company in writing to the contrary.

Pursuant to C.R.S. 10-11-122 notice is hereby given that: The subject property may be located in a special taxing district. A Certificate of Taxes due listing each taxing jurisdiction shall be obtained from the County Treasurer or the County Treasurer's authorized agent. Information regarding special districts and the boundaries of such districts may be obtained from the Board of County Commissioners, the County Clerk and Recorder, or the County Assessor.

Pursuant to C.R.S. 38-35-125(2) no person or entity that provides closing and settlement services for a real estate transaction shall disburse funds as a part of such services until those funds have been received and are available for immediate withdrawal as a matter of right.

Pursuant to C.R.S. 10-11-122, notice is hereby given that: (a) "Gap Protection" – When this Company conducts the closing and is responsible for recording or filing the legal documents resulting from the transaction, the Company shall be responsible for all matters which appear on the record prior to such time of recording or filing; and (b) "Mechanic's Lien Protection" – If you are the buyer of a single family residence, you may request mechanic's lien coverage to be issued on your policy of insurance. If the property being purchased has not been the subject of construction, improvements or repairs in the last six months prior to the date of this commitment, the requirements will be payment of the appropriate premium and the completion of an Affidavit and Indemnity by the seller. If the property being purchased was constructed, improved or repaired within six months prior to the date of this commitment, the requirements may involve disclosure of certain financial information, payment of premiums, and indemnity, among others. The general requirements stated above are subject to revision and approval by the Company.

Pursuant to C.R.S. 10-11-123, the Company hereby notifies the proposed buyer in the current transaction that there is recorded evidence that the mineral estate, or a portion thereof, has been severed, leased, or otherwise conveyed from the surface estate. There is a substantial likelihood that a third party holds some or all interest in the oil, gas, other minerals, or geothermal energy in the subject property. Such mineral estate may include the right to enter and use the property without the surface owner's permission.

### CT ESCROW SERVICES WIRING INSTRUCTIONS ARE AS FOLLOWS:

Wire Funds To: Wells Fargo Bank West, N.A.  
1740 Broadway  
Denver, CO 80274

Phone: (303) 863-5035  
ABA #: 102000076

For final credit of: CT Escrow Services, LLC, Trust Account  
Account No.: 200-0242970

Please reference: Commitment Number  
Principal's Name  
Property Address



## CONDITIONS AND STIPULATIONS

1. The term "mortgage", when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquires actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate of interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions, exclusion from coverage, and the Conditions and Stipulations of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest or the lien of the insured mortgage covered hereby or any action asserting such claim, shall be restricted to the provisions and Conditions and Stipulations of the Commitment.

**EXHIBIT N**

**Mill Levy Comparison**

**MILL LEVY COMPARISON**  
**Selected Metropolitan Districts**

**AURORA CENTRE TECH METROPOLITAN DISTRICT**

Arapahoe County	14.594
Arapahoe County - SBOE	0.000
Aurora Schools	49.825
City of Aurora	11.409
Aurora Centre Tech Metropolitan	45.000
Urban Drainage & Flood Control	0.531
Urban Drainage & Flood Control - South Platte	0.071
<b>Total 2003 Mill Levy</b>	<b>121.430</b>

**BROMLEY PARK METROPOLITAN DISTRICT NO. 5**

Adams County	26.370
Adams County School District No. 27	47.016
Adams County Library	1.391
City of Brighton	7.248
Brighton Fire District 6	9.295
Bromley Park Metropolitan No. 5	25.000
Central Colorado Water Conservancy	0.871
Urban Drainage & Flood Control	0.531
Urban Drainage & Flood Control - South Platte	0.071
<b>Total 2003 Mill Levy</b>	<b>117.793</b>

**CENTRAL PLATTE VALLEY METROPOLITAN DISTRICT**

Denver City and County	22.548
Denver Schools	36.705
Urban Drainage & Flood Control	0.531
Urban Drainage & Flood Control - South Platte	0.071
Central Platte Valley - General	32.500
Central Platte Valley - General Obligation Bonds	20.000
<b>Total 2003 Mill Levy</b>	<b>112.355</b>

**MILL LEVY COMPARISON**  
**Selected Metropolitan Districts**

<b>DENVER WEST METROPOLITAN DISTRICT</b>	
Jefferson County	23.539
Jefferson County Schools	45.387
Northwest Lakewood Sanitation District	7.187
City of Lakewood	4.711
Lakewood Fire	0.000
Urban Drainage & Flood Control	0.531
Urban Drainage & Flood Control - South Platte	0.071
Jefferson County Law Enforcement Authority	
Prospect Recreation & Park District	3.000
Denver West Metropolitan	35.000
West Metro Fire	<u>11.480</u>
<b>Total 2003 Mill Levy</b>	<b><u>130.906</u></b>

<b>SAND CREEK METROPOLITAN DISTRICT</b>	
Adams County Portion	
Adams County	26.370
Adams - Arapahoe School District 28	49.825
City of Aurora	11.409
Urban Drainage & Flood Control	0.531
Urban Drainage & Flood Control - South Platte	0.071
Sand Creek Metropolitan District	<u>43.000</u>
<b>Total 2003 Mill Levy</b>	<b><u>131.206</u></b>

<b>SECTION 14 METROPOLITAN DISTRICT</b>	
Jefferson County	23.539
Jefferson County Schools	45.387
City of Lakewood	4.711
Grant Water and Sanitation District	0.000
Regional Transportation District	0.000
Section 14 Metropolitan District	29.000
Urban Drainage & Flood Control District	0.531
Urban Drainage & Flood Control South Platte	0.071
West Metro Fire Protection District	<u>11.480</u>
<b>Total 2003 Mill Levy</b>	<b><u>114.719</u></b>

**MILL LEVY COMPARISON**  
**Selected Metropolitan Districts**

**LARKRIDGE METROPOLITAN DISTRICT NO. 1**

Adams County	27.761
North Metro Fire & Rescue District	7.909
Regional Transportation District	0.000
Adams County School District 12	63.786
City of Thornton	10.210
Urban Drainage South Platte	0.071
Urban Drainage & Flood Control District	0.531
Larkridge Metropolitan District No. 1	<u>25.000</u>
<b>Total 2003 Mill Levy</b>	<b><u>135.268</u></b>

**EXHIBIT O**

**Introduction and Amendment Purpose for Amendment to Service Plan for Larkridge  
Metropolitan District No. 1**

## **I. INTRODUCTION**

On February 24, 2004, the City Council of the City of Thornton ("City") approved the Service Plan ("Service Plan") for Larkridge Metropolitan District No. 1 ("District"). The District's Board of Directors ("Board") has reviewed the estimated public improvements costs, specifically those costs that due to anticipated financing constraints of the District at the time of approval of the Service Plan were proposed to be constructed and financed by the developer of the Property. Based upon a perceived increase in assessed valuations in the Project which results in an increase in financing capacity of the District, the Board has determined that it is appropriate to seek modification of the Service Plan to enable the District to construct and finance the additional public improvements contemplated in this Amendment to Service Plan ("Amendment"). The following items are included in the Amendment:

1. Changes to development, assumptions and construction costs furnished in conjunction with the Service Plan since such Service Plan was last reviewed and approved by the City Council;
2. The effect of the Amendment on the District's ability to retire, as scheduled, its outstanding obligations and its ability to issue and market subordinate indebtedness to finance additional public improvements;
3. A current financial plan for the District reflecting development absorption rates anticipated within the District's service area, projected annual revenues and expenditures based upon such projected absorption rates, debt issuance and amortization schedules, and a projection of anticipated capital outlays;

## **II. AMENDMENT PURPOSE**

The Amendment has been prepared to address the District's need for additional public improvements and the District's ability to pay for such additional improvements within the time

frame and within the Mill Levy Cap set forth in the Service Plan. Any information not specifically addressed in the Amendment has been previously addressed in the Service Plan, and incorporated herein by this reference. Capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Service Plan. The Service Plan is on file with the City. The Amendment is being presented for consideration for the purpose of modification of the public improvements contemplated in the Service Plan, associated construction costs, and an increase in the amount authorized for the District's incurrence of debt associated with the construction of such additional public improvements.

1. Since the time the Service Plan was last reviewed and approved by the City, the Board has projected an increased financing capacity within the District based upon revised development assumptions from the developer of the Project.

2. If approved, the Amendment will give the District the necessary authority to acquire or construct the public improvements set forth in the Public Improvements Cost Estimates attached hereto as **Exhibit A** and to incur the debt necessary to construct such improvements.

3. A current Financial Plan for the District, reflecting development absorption rates, projected annual revenues and expenditures, debt issuance and amortization schedules, and a projection of anticipated capital outlays within the Property and within the District is attached hereto as **Exhibit B**.

4. The Amendment will have no effect on the District's ability to retire its current outstanding indebtedness. The District will continue to have the ability to support its outstanding indebtedness and cause the retirement of such debt in the manner contemplated by any and all governing documents. Additionally, the Amendment will give the District the ability to incur the



additional debt that is anticipated as required to finance the improvements contemplated by the Amendment. The District currently has outstanding its \$10,000,000 General Obligation Variable Rate Bonds (Limited Tax Convertible to Unlimited Tax), Series 2004 (the "Bonds"). This debt obligation was incurred in accordance with the District's electoral authorization and in accordance with the Service Plan. Based upon the attached Financial Plan, it is anticipated that an additional Three Million Eight Hundred Ninety-Two Thousand Four Hundred Forty-One Dollars (\$3,892,441) of bonds will be issued.

5. The Financial Plan anticipates that the mill levy will be twenty-five (25) mills through the duration of the time any bonds of the District remain outstanding. The District's mill levy will remain subject to any limitations set forth in the Service Plan.