

**SERVICE PLAN
FOR**

HINKLE FARMS METROPOLITAN DISTRICT

TOWN OF FREDERICK, COLORADO

Prepared

by

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and

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of the
Town of Frederick, Colorado

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I. INTRODUCTION

A. Purpose and Intent.

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

The District is not being created to provide ongoing operations and maintenance services. Services not being assumed by the Town or other governmental entities will be provided by an owners' association or, if specifically set forth in an Intergovernmental Agreement, the District.

B. Need for the District.

There are currently no other governmental entities, including the Town, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance and financing of the Public Improvements needed for the Project. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible and to therefore provide the future residents and taxpayers of the Project with enhanced amenities that would not otherwise be feasible.

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

The Town's objective in approving the Service Plan for the District is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation, maintenance and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the District subject to the following limitations. All Debt is to be repaid by taxes and Development Fees at a tax mill levy no higher than the Limited Mill Levy. It is the intent of this Service Plan to assure that the Limited Mill Levy shall apply even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters are not costs to be paid by the District. Debt which is issued within these parameters (as further described in the Financial Plan) will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Service Plan is intended to establish a limited purpose for the District and explicit financial constraints that are not to be violated under any circumstances. The

primary purpose is to provide for the Public Improvements associated with the Project and those regional improvements necessitated by the Project. Ongoing operational and maintenance activities may be allowed, but only as specifically set forth in the Intergovernmental Agreement.

It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a court determination that adequate provision has been made for the payment of all Debt and, if applicable, for the performance of ongoing operational services of the District. Alternatively, if the District has operational service obligations under or as permitted by the Intergovernmental Agreement and no other entity has assumed the responsibility to provide such services, the District shall remain in existence solely to perform such services and to impose and collect taxes or fees to pay for the costs of such services.

II. DEFINITIONS

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

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

Board: means the board of directors of the District.

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

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

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

District: means the Hinkle Farms Metropolitan District.

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

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

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

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

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

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

Intergovernmental Agreement: means (i) the intergovernmental agreement required by Article 14 of the Town Land Use Code, and attached hereto as

Exhibit G, and any amendments or supplements thereto, (ii) and any other intergovernmental agreement entered into by the Town and the District.

Limited Mill Levy: means the maximum aggregate mill levies the District is permitted to impose for payment of Debt, operations and maintenance expenses, and the Town's 3 mill levy payment as set forth in Section VI.C below.

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

Project: means the development or property commonly referred to as Hinkle Farm and, if included within the boundaries of the District, the development or property commonly referred to as Westervelt Farm.

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

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and maintained as part of an Approved Development Plan and financed as generally permitted by the Special District Act and other applicable Colorado law, except as specifically limited herein to serve the future taxpayers and inhabitants of the Service Area as determined by the Board of the District.

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

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

Service Plan Amendment: means an amendment to the Service Plan approved by the Town Board in accordance with Article 14 of the Town Land Use Code and applicable State law.

Special District Act: means Article 1 of Title 32 of the Colorado Revised Statutes, as amended from time to time.

State: means the State of Colorado.

Town: means the Town of Frederick, Colorado.

Town Board: means the Board of Trustees of the Town of Frederick, Colorado.

Town Code: means the Town of Frederick Municipal Code, as amended.

Town Land Use Code: means the Town Land Use Code, as amended.

III. BOUNDARIES

The area of the Initial District Boundaries includes approximately 124 acres. The area of the Inclusion Area Boundaries includes approximately 134 acres. A legal description of the Initial District Boundaries is attached hereto as Exhibit A-1 and a legal description of the Inclusion Area Boundaries is attached hereto as Exhibit A-2. A map of the Initial District Boundaries is attached hereto as Exhibit C-1. A map of the Inclusion Area Boundaries is attached hereto as Exhibit C-2. Proof of Ownership for all properties within the Initial District Boundaries is attached hereto as Exhibit C-3. A vicinity map is attached hereto as Exhibit B. It is anticipated that the District's Boundaries may change from time to time as it undergoes inclusions and exclusions pursuant to Parts 4 and 5 of the Special District Act, subject to the limitations set forth herein.

IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION

The Initial District Boundaries consists of approximately 124 acres of residential land. The current assessed valuation of the Service Area is assumed to be \$0 for purposes of this Service Plan and, at build-out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan. The residential population of the Initial District Boundaries at build-out is estimated to be approximately 413 persons based on an estimated average occupancy of 2.5 persons per unit and the residential population of the Inclusion Area Boundaries at build-out is estimated to be approximately 875 persons.

Approval of this Service Plan by the Town does not imply approval of the development of a specific area within the District, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings which may be identified in this Service Plan or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan.

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES; SERVICE PLAN AMENDMENT

A. Powers of the District.

The District shall have the power and authority to provide the Public Improvements within and without the boundaries of the District and to exercise all power and authority vested in special districts under the Special District Act and other applicable statutes, common law and the Constitution, subject only to the limitations set forth in this Section V.A.

1. Operations and Maintenance Limitation. The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The District shall dedicate the Public Improvements to the Town or other appropriate jurisdiction or owners association in a manner consistent with the Approved Development Plan, other rules and regulations of the Town and applicable provisions of the Town Code. The District shall not be authorized to operate and maintain any part or all of the Public Improvements, unless specifically provided for in the Intergovernmental Agreement. Water facilities will be conveyed to the Central Weld County Water District. Sanitation facilities will be conveyed to the St. Vrain Sanitation District. The Petitioners are in the process of coordinating plans for these facilities and obtaining any required consents.

2. Sanitation Limitation. The District shall not, to the extent prohibited by law, duplicate the services provided by the St. Vrain Sanitation District within the District's boundaries in any area of overlap except as may be consented to, and approved by, the St. Vrain Sanitation District's Board of Directors as expressed through the execution of an intergovernmental agreement between the parties. The District's Board of Directors will execute such intergovernmental agreement at the initial meeting of its Board of Directors after the entry of the order of formation by the District Court for and in Weld County, Colorado.

3. Water Limitation. The District shall not, to the extent prohibited by law, duplicate the services provided by the Central Weld County Water District within the District's boundaries in any area of overlap except as may be consented to by the Central Weld County Water District's Board of Directors.

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

5. Television Relay and Translation Limitation. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain television relay and translation facilities and services, other than for the installation of conduit as a part of a street construction project, unless such facilities and services are provided pursuant to an intergovernmental agreement with the Town.

6. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the Town and of other governmental entities having proper jurisdiction. The District will obtain the Town's approval of civil engineering plans and will obtain

applicable permits for construction and installation of Public Improvements prior to performing such work.

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

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

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

8. Inclusion Limitation. The District shall not include within any of its boundaries any property outside the Inclusion Area Boundaries without the prior written consent of the Town Board.

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

10. Total Debt Issuance Limitation. The District shall not issue Debt in excess of \$6,100,000; provided, however, that such limit shall be \$14,200,000 after inclusion into the District of substantially all of the property within the Inclusion Area Boundaries.

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

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

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

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

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

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

14. Revenue Bond Limitation. The District shall not issue revenue bonds, except as set forth in this Section. Prior to issuing any revenue bonds, the District shall submit all relevant details of such issuance to the Town Administrator, who shall determine whether the issuance of revenue bonds constitutes a material modification of the Service Plan. If it is determined that the issuance of revenue bonds constitutes a material modification of the Service Plan, the District shall then proceed to amend the Service Plan in accordance with Section 32-1-207, C.R.S. prior to issuing any revenue bonds.

15. Eminent Domain Limitation. The District shall not exercise its statutory power of eminent domain without the prior written consent of the Town Board.

16. Overlapping District. The Town shall be held harmless if either St. Vrain Sanitation District or Central Weld County Water District refuse to authorize services; and from any claims brought by St. Vrain Sanitation District or Central Weld County Water District for improvements constructed or installed or services provided prior to receiving consent.

B. Capital Plan.

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance and financing of the Public Improvements within and without the boundaries of the District, to be more specifically defined in an Approved Development Plan. A Capital Plan is attached hereto as Exhibit D-1 and D-2. A Map Depicting Public Improvements is attached hereto as Exhibit E. As shown in the Capital Plan, the estimated cost of the Public Improvements within the Initial District Boundaries which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed by the District is approximately \$4,604,000 and the estimated cost of the Public Improvements within the Inclusion Area Boundaries is approximately \$5,943,000.

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

All of the Public Improvements described herein will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the Town and shall be in accordance with the requirements of the Approved Development Plan. All descriptions of the Public Improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, the Town's requirements, and construction scheduling may require. Upon approval of this Service Plan, the District (or its proponents) will continue to develop and refine the Capital Plan and the Map Depicting Public Improvements, as necessary, and prepare for issuance of Debt. All cost estimates will be inflated to then-current dollars at the time of the issuance of Debt and construction. All construction cost estimates contained in Exhibit D-1 and D-2 assume construction to applicable local, State or Federal requirements.

C. Service Plan Amendment.

1. This Service Plan is general in nature and does not include specific detail in some instances because development plans have not been finalized. The Service Plan has been designed with sufficient flexibility to enable the District to provide required services and facilities under evolving circumstances without the need for numerous amendments. Modification of the general types of services and facilities making up the Public Improvements, and changes in proposed configurations, locations or dimensions of the Public Improvements shall be permitted to accommodate development needs consistent with the then-current Approved Development Plan(s) for the Project. The District is an independent unit of local government, separate and distinct from the Town, and its activities are subject to review by the Town only insofar as they

may constitute a material modification from the requirements of the Service Plan. The following shall constitute a material modification:

- (a) Default in the payment of principal or interest of any District bonds, notes, certificates, debentures, contracts or other evidences of indebtedness or borrowing issued or incurred by the District which:
 - (1) Persists for a period of one hundred 120 days or more;
 - (2) The defaulted payment aggregates either \$50,000 or 10% of the outstanding principal balance of the indebtedness, whichever is less; and
 - (3) The creditors have not agreed in writing with the District to forbear from pursuit of legal remedies.
- (b) The failure of the District to develop, cause to be developed or consent to the development by others of any capital facility proposed in its Service Plan when necessary to service approved development within the District.
- (c) Failure of the District to realize at least 75% of the development revenues (including developer contributions, loans or advances) projected in the financial portion of the Service Plan during the three-year period ending with the report year, where development revenue is defined as fees, exactions and charges imposed by the District on residential and commercial development, excluding taxes, provided that the disparity between projected and realized revenue exceeds \$50,000.
- (d) The development of any capital facility in excess of \$100,000 in cost, which is not either identified in the Service Plan or authorized by the Town in the course of a separate development approval, excluding bona fide cost projection miscalculations; and State or federally mandated improvements, particularly water or sanitation facilities.
- (e) The occurrence of any event or condition which is defined under the Service Plan or intergovernmental agreement as necessitating a Service Plan amendment.
- (f) The material default by the District under any intergovernmental agreement with the Town.

- (g) Any of the events or conditions enumerated in Section 32-1-207(2), C.R.S., as amended.

2. Amendment of this Service Plan shall be pursuant to Section 14.6 of the Town Land Use Code.

VI. FINANCIAL PLAN

A. General.

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation, maintenance and/or redevelopment of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay from revenues derived from the Limited Mill Levy and other legally available revenues. The total Debt that the District shall be permitted to issue shall not exceed \$6,100,000; provided, however, that such amount shall be \$14,200,000 after inclusion into the District of substantially all of the property within the Inclusion Area Boundaries. Debt shall be permitted to be issued on a schedule and in such year or years as the District determines shall meet the needs of the Financial Plan referenced above and phased to serve development as it occurs. All bonds and other Debt issued by the District may be payable from any and all legally available revenues of the District, including general ad valorem taxes to be imposed upon all taxable property within the District. The District will also rely upon various other revenue sources authorized by law. These will include the power to assess fees, rates, tolls, penalties, or charges as provided in Section 32-1-1001(1), C.R.S., as amended from time to time and as limited by the Service Plan. The Debt that the District may issue for Public Improvements is supported by the Financial Plan prepared by Piper Jaffray & Co., attached hereto as Exhibit F-1 and F-2. The Financial Plan sets forth reasonably estimated projections regarding issuance of Debt both with and without the inclusion of the Inclusion Area Boundaries into the District, and such projections shall not serve as limitations on the issuance of Debt except as otherwise expressly set forth in the Service Plan.

The Financial Plan describes two possible scenarios: one in which the District consists of the land within the Initial District Boundaries and one in which the District also includes all or substantially all of the land within the Inclusion Area Boundaries. Under the second scenario, Debt is anticipated to be issued in two series of Bonds, with proceeds funding Public Improvements within the Initial District Boundaries and/or the Inclusion Area Boundaries.

B. Maximum Voted Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. The proposed maximum interest rate on any Debt is 12%. The proposed maximum underwriting discount is 4%. Debt, when issued, will comply with all relevant requirements of this Service Plan, State law and Federal law as then applicable to the issuance of public securities.

C. Limited Mill Levy.

1. "Limited Mill Levy" shall mean an ad valorem mill levy (a mill being equal to 1/10 of 1¢) imposed upon all taxable property of the District each year in an amount sufficient to pay the principal of, premium if any, and interest on Debt as the same become due and payable, and to make up any deficiencies in any debt service reserve for the Debt, but, together with all other District mill levies, such mill levy shall not exceed 50 mills; provided that if, on or after January 1, 2008, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy limitation applicable to such Debt may be increased or decreased to offset such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2008, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.

2. Without increasing the Limited Mill Levy, at any time the District imposes a mill levy for debt service purposes, the District shall impose a mill levy of 3 mills for purposes of financing capital improvements or for financing operations and maintenance expenses associated with Town capital improvements, which revenues shall be remitted to the Town upon the District's receipt. The revenues received by the Town for capital improvements or operation and maintenance expenses may be applied to any Town capital improvement so long as the capital improvement is one that the District could otherwise finance (*e.g.*, streets, traffic safety controls, street lighting, water, landscaping, sanitary sewer, storm drainage, mosquito control and park and recreation improvements). The District's imposition of the 3 mills for the capital improvements or operation and maintenance of the Town capital improvements shall be memorialized in the Intergovernmental Agreement and the District's failure to levy and collect the 3 mills shall constitute a material modification of this Service Plan. In the event that the District has no debt service mill levy, the District shall have no obligation to levy, collect and pay over to the Town the 3 mills set forth herein.

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

time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Limited Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate. For purposes of the foregoing, once Debt has been determined to be within this paragraph, so that the District is entitled to pledge to its payment an unlimited ad valorem mill levy, the District may provide that such Debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent change in the District's Debt to assessed ratio. All Debt issued by the District must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of State law.

D. Debt Repayment Sources.

The District may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service and for operations and maintenance, subject to Section V.A.1 of the Service Plan. In no event shall the debt service mill levy in the District exceed the Limited Mill Levy.

The District may also collect a Development Fee, as allowed and limited by Colorado law, which Development shall not exceed the following limits:

1. For each single-family detached residential unit, the Development Fee shall not exceed \$2,000.
2. For each single-family attached or multi-family residential unit, the Development Fee shall not exceed \$1,500.
3. For a structure other than a single-family or multi-family residential structure, the Development Fee shall not exceed \$0.25 per square foot of the structure.

The Development Fee set forth in this Service Plan may increase by up to the Consumer Price Index for Denver-Boulder, all items, all urban consumers (or its successor index for any years for which Consumer Price Index is not available) each year thereafter (as an inflation adjustment) commencing on January 1, 2008. The Development Fee shall be collected prior to issuance of a certificate of occupancy.

E. Debt Instrument Disclosure Requirement.

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

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

District authorizing the issuance of this Bond, and in the Service Plan of the District.

Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Service Plan shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District.

F. Security for Debt.

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

G. TABOR Compliance.

The District will comply with the provisions of Article X, Section 20 of the Colorado Constitution ("TABOR"). In the discretion of the Board, the District may set up enterprises to manage, fund, construct and operate facilities, services, and programs. To the extent allowed by law, any entity created by the District will remain under the control of the District's Board.

H. District's Operating Costs.

The estimated cost of engineering services, legal services and other services in connection with the District's organization and initial operations, which will be eligible for reimbursement from Debt proceeds, are anticipated to be \$150,000.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed and maintained, if such maintenance is addressed in the Intergovernmental Agreement. The first year's operating budget is estimated to be \$20,000 which is anticipated to be derived from property taxes and other available revenues.

The District may impose an operations and maintenance mill levy as necessary for provision of operation, maintenance, and administrative expenses to its taxpayers and service users, if such operations and maintenance functions are addressed in the Intergovernmental Agreement. Such mill levy shall be subject to the Limited Mill Levy restrictions contained in Section VI.C. hereof; provided however, that the Limited Mill Levy restrictions shall not apply to such mill levy to the extent that any of the District's Debt is secured by an unlimited mill levy as permitted by Section VI.C.3, and

provided further, that the Limited Mill Levy restrictions shall not apply at any time when all of the District's Debt is secured by an unlimited mill levy as permitted by Section VI.C.3.

I. Subdistricts.

The District may organize subdistricts or areas as allowed by Section 32-1-1101(1)(f), C.R.S., provided, however, that without the approval of the Town, any such subdistrict(s) or area(s) shall be subject to all limitations on debt and other provisions of the Service Plan. Neither the Limited Mill Levy nor any Debt limit shall be increased as a result of creation of a Subdistrict. In accordance with Section 32-1-1101(1)(f)(I), C.R.S., the District shall notify the Town prior to establishing any such subdistrict(s) or area(s), and shall provide the Town with details regarding the purpose, location, and relationship of the subdistrict(s) or area(s). The Town Board may elect to treat the organization of any such subdistrict(s) or area(s) as a material modification of the Service Plan.

VII. ANNUAL REPORT

A. General. In accordance with Section 14.3 of Town Land Use Code, the District shall file an annual report with the Town Clerk not later than September 1 of each calendar year, which annual report shall reflect activity and financial events of the District through the preceding December 31 (the "report year").

B. Reporting of Significant Events.

The annual report shall include the following:

1. A narrative summary of the progress of the District in implementing its Service Plan for the report year;
2. Except when exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the District for the report year including a statement of financial condition (i.e., balance sheet) as of December 31 of the report year and the statement of operations (i.e., revenues and expenditures) for the report year;
3. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of Public Improvements in the report year, as well as any Public Improvements proposed to be undertaken in the five years following the report year;
4. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the amount of outstanding Debt, the amount and terms of any new Debt

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

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

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

7. A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year;

8. Certification of the Board that no action, event or condition enumerated in Section 14.4 of the Town Land Use Code has occurred in the report year, or certification that such event has occurred but that an amendment to the Service Plan that allows such event has been approved by Town Board; and

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

VIII. DISSOLUTION

Upon an independent determination of the Town Board that the purposes for which the District was created have been accomplished, the District shall file petitions in the District Court for and in Weld County, Colorado, for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations, and, if applicable, the assumption by another entity of the responsibility to provide any service obligations of the District as required pursuant to State statutes.

IX. DISCLOSURE TO PURCHASERS

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

X. INTERGOVERNMENTAL AGREEMENTS

A proposed form of the intergovernmental agreement required by Article 14 of the Town Land Use Code, relating to the limitations imposed on the District's activities, is attached hereto as Exhibit G. The District shall approve the intergovernmental agreement at its first Board meeting after its organizational election, in the same form as the Intergovernmental Agreement approved by the Town Board. Failure of the District to execute the Intergovernmental Agreement as required herein shall constitute a material modification and shall require a Service Plan Amendment. The Town Board may approve the intergovernmental agreement at the public hearing approving the Service Plan. The Town IGA shall include provisions for the "enhanced" amenities that are described in the August 12, 2008 letter from W.H. Grant Enterprises LLC.

The District also expects to enter into an intergovernmental agreement with the St. Vrain Sanitation District concerning the terms under which such district consents to and limits the District's overlap of boundaries. The District may enter into intergovernmental agreements with other overlapping entities, including without limitation the Central Weld County Water District.

XI. CONCLUSION

It is submitted that this Service Plan for the District, to the extent required by Section 32-1-203(2), C.R.S., and as required by Section 14.16(b) of the Town Land Use Code, establishes that:

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

8. The proposal is in compliance with any duly adopted Town, regional or State long-range water quality management plan for the area.

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

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

11. The proposal is in substantial compliance with Article 14 of the Town Land Use Code.

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

EXHIBIT A-1

LEGAL DESCRIPTION OF INITIAL DISTRICT BOUNDARIES

EXHIBIT A-1 PROPERTY DESCRIPTION

A parcel of land situate within the Northeast Quarter (NE1/4) of Section Twenty-six (26), Township Two North (T.2N.), Range Sixty-eight West (R.68W.), Sixth Principal Meridian (6th P.M.), County of Weld, State of Colorado and being more particularly described as follows:

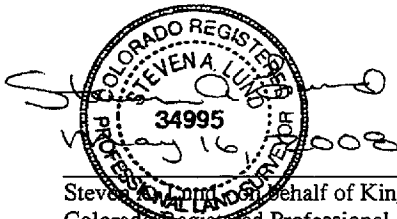
ALL THAT portion of the Northeast Quarter of said Section 26 lying Easterly of Frederick West Business Center, Filing 3, recorded August 4, 1998 as Reception No. 2630554 of the Records of Weld County.

EXCEPTING THEREFROM Lot 1 of the Minor Subdivision Plat Elementary 21, Frederick, recorded June 17, 2004 as Reception No. 3190074 of the Records of Weld County.

Said parcel contains 123.954 acres, more or less (±).

SURVEYOR'S STATEMENT

I, Steven A. Lund, a Colorado Registered Professional Land Surveyor do hereby state that this Property Description was prepared under my personal supervision and checking, and that it is true and correct to the best of my knowledge, information, belief, and in my professional opinion.



Steven A. Lund, on behalf of King Surveyors, Inc.
Colorado Registered Professional
Land Surveyor #34995

KING SURVEYORS, INC.
650 Garden Drive
Windsor, Colorado 80550
(970) 686-5011

EXHIBIT A-2

LEGAL DESCRIPTION OF INCLUSION AREA BOUNDARIES

EXHIBIT A-2 PROPERTY DESCRIPTION

A parcel of land situate within the Southeast Quarter (SE1/4) of Section Twenty-six (26), Township Two North (T.2N.), Range Sixty-eight West (R.68W.), Sixth Principal Meridian (6th P.M.), County of Weld, State of Colorado and being more particularly described as follows:

COMMENCING at the East Quarter Corner of said Section 26 and assuming the East line of the Southeast Quarter of Section 26, T.2N., R.68W., as bearing South 00°08'30" West being a Grid Bearing of the Colorado State Plane Coordinate System, North Zone, North American Datum 1983/92, a distance of 2712.02 feet with all other bearings contained herein relative thereto.

THENCE South 00°08'30" West along the East line of the Southeast Quarter of said Section 26 a distance of 922.45 feet to a point on the centerline of the Sullivan Ditch and to the **POINT OF BEGINNING**;

THENCE South 00°08'30" West continuing along the East line of the Southeast Quarter of said Section 26 a distance of 513.68 feet to the Northeast corner of Lot "A" of Recorded Exemption No. 1313-26-4-RE506, recorded June 2, 1981 as Reception No. 1861796 of the Records of Weld County;

THENCE South 89°20'20" West along the North line of said Lot "A" a distance of 278.70 feet to the Northwest corner thereof;

THENCE South 02°50'06" East along the West line of said Lot "A" a distance of 184.07 feet to the Southwest corner thereof;

THENCE North 89°12'45" East along the South line of said Lot "A" a distance of 269.15 feet to the East line of the Southeast Quarter of said Section 26;

THENCE South 00°08'30" West along the East line of the Southeast Quarter of said Section 26 a distance of 1092.52 feet to the Southeast corner of said Section 26;

THENCE South 89°36'10" West along the South line of the Southeast Quarter of said Section 26 a distance of 1904.70 feet to the East bank of the Godding Hollow Ditch;

THENCE North 23°06'37" West along the East bank of the Godding Hollow Ditch a distance of 1370.87 feet to the Northwest corner of Lot "B" of Recorded Exemption No. 1313-26-4-RE506, Lot B Amended, recorded May 3, 1985 as Reception No. 02008233 of the Records of Weld County;

The next Eight (8) courses and distances are along the East bank of the Godding Hollow Ditch;

THENCE North 23°06'37" West a distance of 86.43 feet;

THENCE North 08°55'40" West a distance of 619.26 feet;

THENCE North 14°37'02" West a distance of 137.29 feet;

THENCE North 45°17'27" East a distance of 201.52 feet;

THENCE North 60°41'00" East a distance of 238.78 feet;

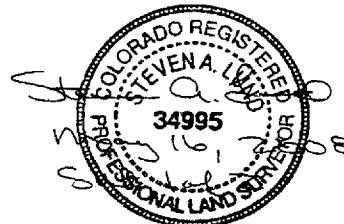
THENCE North 16°40'31" East a distance of 229.04 feet;

THENCE North 32°34'19" West a distance of 97.09 feet;

THENCE North 52°11'49" West a distance of 71.16 feet to the North line of the Southeast Quarter of said Section 26;

THENCE North 89°05'15" East along the North line of the Southeast Quarter of said Section 26 a distance of 1574.61 feet to the Northwest corner of that parcel of land described in a Warranty Deed recorded January 7, 1988 as Reception No. 02127245 of the Records of Weld County;

The next Four (4) courses and distances are along the Westerly lines of said parcel of land described in a Warranty Deed recorded January 7, 1988 as Reception No. 02127245 of the Records of Weld County;



THENCE South 10°48'53" East a distance of 109.83 feet;
THENCE South 41°40'47" East a distance of 231.70 feet;
THENCE South 36°37'12" East a distance of 745.49 feet;
THENCE South 73°55'01" East a distance of 113.85 feet to the East line of the Southeast
Quarter of said Section 26 and to the **TRUE POINT OF BEGINNING**.

Said parcel contains 133.712 acres, more or less (±).

SURVEYOR'S STATEMENT

I, Steven A. Lund, a Colorado Registered Professional Land Surveyor do hereby state that this Property Description was prepared under my personal supervision and checking, and that it is true and correct to the best of my knowledge, information, belief, and in my professional opinion.



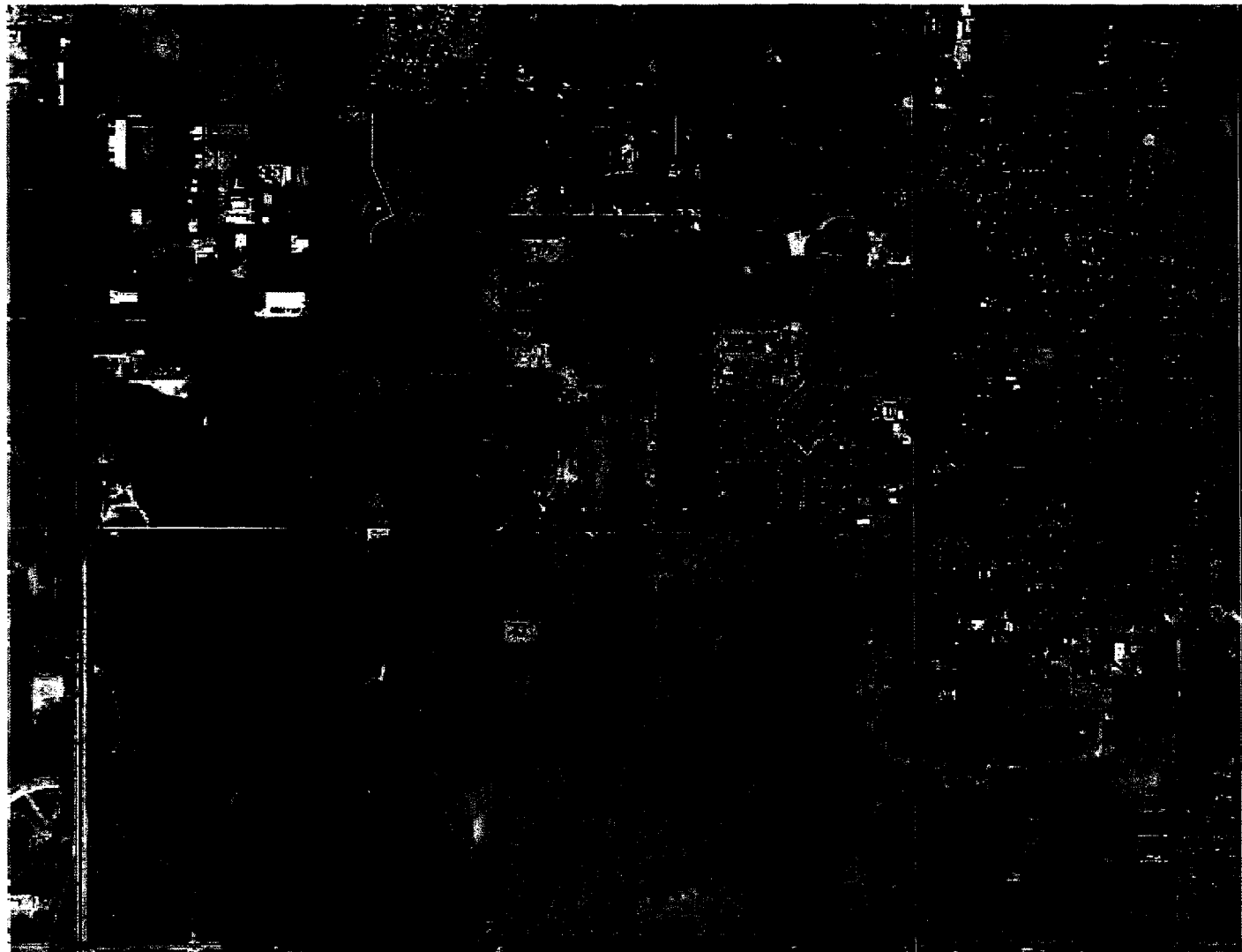
Steven A. Lund on behalf of King Surveyors, Inc.
Colorado Registered Professional
Land Surveyor #34995

KING SURVEYORS, INC.
650 Garden Drive
Windsor, Colorado 80550
(970) 686-5011

EXHIBIT B

FREDERICK VICINITY MAP

EXHIBIT B - VICINITY MAP



1" = 2000'

TOWN OF
FREDERICK
TOWN HALL



VICINITY MAP

HINKLE/WESTERVELT
TOWN OF FREDERICK, WELD COUNTY, COLORADO

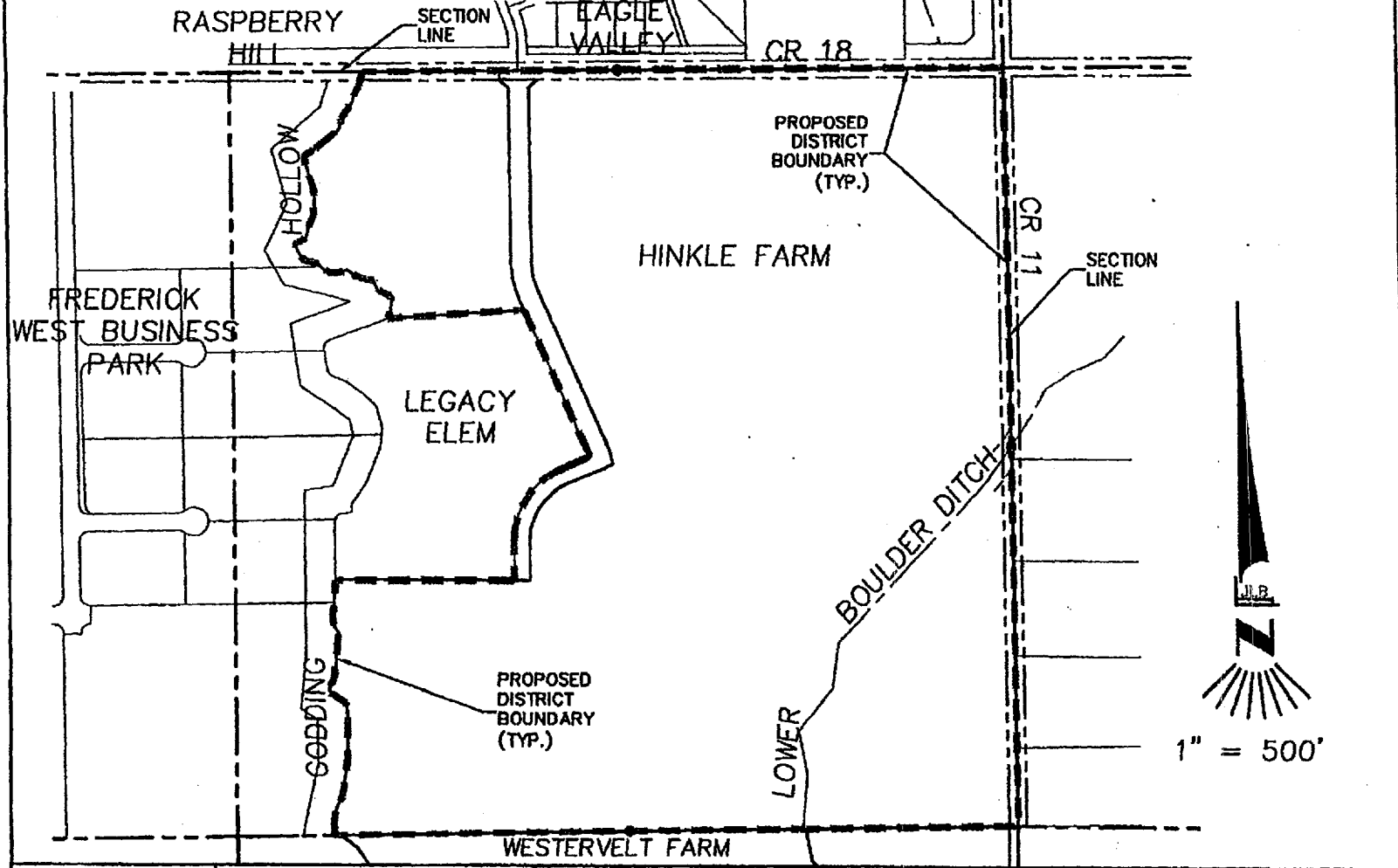
CLIENT: WH GRANT
PROJECT NO: 1300
DATE: 05/19/08
REVISED: 07/11/08

SHEET:
1
OF 1

EXHIBIT C-1

INITIAL DISTRICT BOUNDARY MAP

EXHIBIT C-1 - DISTRICT BOUNDARY MAP



DISTRICT BOUNDARY MAP

HINKLE FARM
TOWN OF FREDERICK, WELD COUNTY, COLORADO

CLIENT: WH GRANT
PROJECT NO: 1300
DATE: 05/19/08
REVISED: -

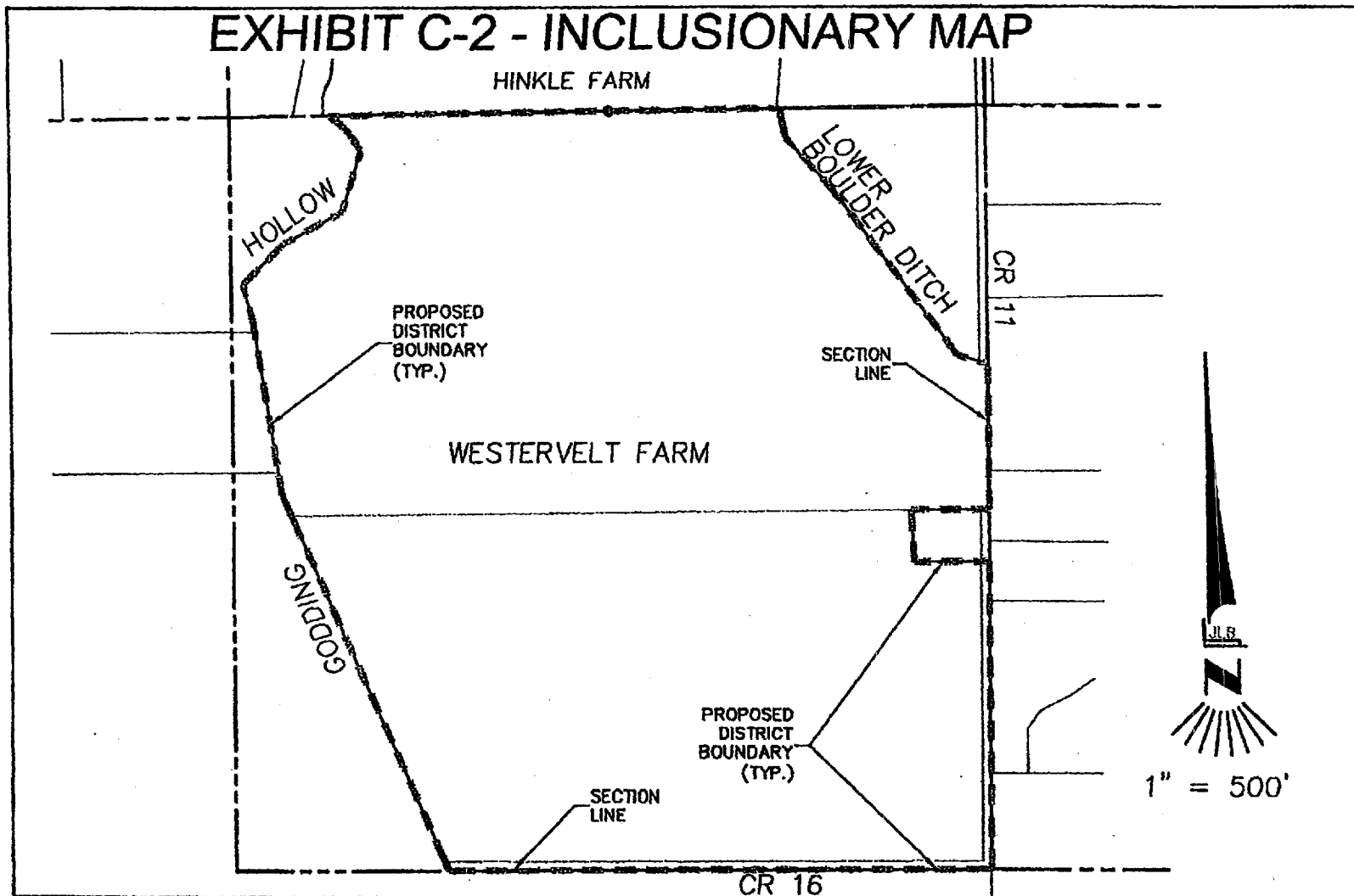
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K:\Rugdwan\Projects\1220 District Docs\Hinkle-Westy District\Map_3/19/2008 11:51:46 A.M. Acrobat.Dwg.plt, 1:1

EXHIBIT C-2

INCLUSION AREA BOUNDARY MAP

EXHIBIT C-2 - INCLUSIONARY MAP



INCLUSIONARY MAP

WESTERVELT FARM
TOWN OF FREDERICK, WELD COUNTY, COLORADO

CLIENT: WH GRANT
PROJECT NO: 1300
DATE: 05/19/08
REVISED: -

SHEET:
1
OF 1

EXHIBIT C-3

PROOF OF OWNERSHIP

Land Title Guarantee Company
CUSTOMER DISTRIBUTION

Date: 07-16-2008

Our Order Number: FTG25083401

Property Address:

WH GRANT ENTERPRISES

Attn: MARK MCCALLUM

Phone: 303-774-2358

Copies: 1

EMail: msm@gglaw.com

Linked Commitment Delivery

If you have any inquiries or require further assistance, please contact Lender Services Department

Phone: 970-282-3649

Fax: 970-282-3652

Form TGP/LTIC

Our Order No. FTG25083401

Amount \$50,000.00

Schedule A

Cust Ref:

Property Address:

Date of Policy: July 09, 2008 at 5:00 P.M.

1. Name of Insured:

WH GRANT ENTERPRISES, ITS SUCCESSORS AND/OR ASSIGNS

2. The vestee in the chain of title to the land as disclosed by the Official Records of the County is:

W H GRANT ENTERPRISES, LLC, A COLORADO LIMITED LIABILITY COMPANY AS TO PARCEL 1 AND 2 AND WALLACE H. GRANT AS TO PARCEL 1 AND 2 AND WALLSPRING, LLC, A COLORADO LIMITED LIABILITY COMPANY AS TO PARCEL 1 AND DOUGLAS GRANT AS TO PARCEL 1 AND 2 AND EJD, LLC, A COLORADO LIMITED LIABILITY COMPANY AS TO PARCEL 2 AND MICHAEL C. WOOD AS TO PARCEL 2 AND CHARLES P. SMITH AS TO PARCEL 2 AND CINDIE A

3. ~~THE~~ ~~DESCRIPTION~~ ~~OF~~ ~~THE~~ ~~LAND~~ ~~AS~~ ~~TO~~ ~~PARCEL~~ ~~2~~ described herein and which is covered by this policy is a fee.

A Fee Simple

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

SEE ATTACHED PAGE(S) FOR LEGAL DESCRIPTION

This Policy consists of a Schedule A and Schedule B and is valid only if Schedule B is attached.

Land Title Guarantee Company
Representing Land Title Insurance Corporation

Our Order No. FTG25083401

EXHIBIT "A" LEGAL DESCRIPTION

PARCEL 1:

A PARCEL OF LAND SITUATE WITHIN THE SOUTHEAST QUARTER OF SECTION 26, TOWNSHIP 2 NORTH, RANGE 68 WEST OF THE 6TH P.M., COUNTY OF WELD, STATE OF COLORADO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCEING AT THE EAST QUARTER CORNER OF SAID SECTION 26 AND ASSUMING THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 26, TOWNSHIP 2 NORTH, RANGE 68 WEST AS BEARING SOUTH 00° 08' 30" WEST BEING A GRID BEARING OF THE COLORADO STATE PLANE COORDINATE SYSTEM, NORTH ZONE, NORTH AMERICAN DATUM 1983/92, A DISTANCE OF 2712.02 FEET WITH ALL OTHER BEARINGS CONTAINED HEREIN RELATIVE THERETO; THENCE SOUTH 00° 08' 30" WEST ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 26 A DISTANCE OF 922.45 FEET TO A POINT ON THE CENTERLINE OF THE SULLIVAN DITCH AND TO THE POINT OF BEGINNING;

THENCE SOUTH 00° 08' 30" WEST CONTINUING ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 26 A DISTANCE OF 513.68 FEET TO THE NORTHEAST CORNER OF LOT "A" OF RECORDED EXEMPTION NO. 1313-26-4-RE506, RECORDED JUNE 2, 1981 AS RECEPTION NO. 1861796 OF THE RECORDS OF WELD COUNTY; THENCE SOUTH 89° 20' 20" WEST ALONG THE NORTH LINE OF SAID LOT "A" A DISTANCE OF 278.70 FEET TO THE NORTHWEST CORNER THEREOF; THENCE SOUTH 02° 50' 06" EAST ALONG THE WEST LINE OF SAID LOT "A" A DISTANCE OF 184.07 FEET TO THE SOUTHWEST CORNER THEREOF; THENCE NORTH 89° 12' 45" EAST ALONG THE SOUTH LINE OF SAID LOT "A" A DISTANCE OF 269.15 FEET TO THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 26; THENCE SOUTH 00° 08' 30" WEST ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 26 A DISTANCE OF 1092.52 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 26; THENCE SOUTH 89° 36' 10" WEST ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 26 A DISTANCE OF 1904.70 FEET TO THE EAST BANK OF THE GODDING HOLLOW DITCH; THENCE NORTH 23° 06' 37" WEST ALONG THE EAST BANK OF THE GODDING HOLLOW DITCH A DISTANCE OF 1370.87 FEET TO THE NORTHWEST CORNER OF LOT "B" OF RECORDED EXEMPTION NO. 1313-26-4-RE506, LOT B AMENDED RECORDED, MAY 3, 1985 AS RECEPTION NO. 2008233 OF THE RECORDS OF WELD COUNTY; THE NEXT 8 COURSES AND DISTANCES ARE ALONG THE EAST BANK OF THE GODDING HOLLOW DITCH; THENCE NORTH 23° 06' 37" WEST A DISTANCE OF 86.43 FEET; THENCE NORTH 08° 55' 40" WEST A DISTANCE OF 619.26 FEET; THENCE NORTH 14° 37' 02" WEST A DISTANCE OF 137.29 FEET; THENCE NORTH 45° 17' 27" EAST A DISTANCE OF 201.52 FEET; THENCE NORTH 60° 41' 00" EAST A DISTANCE OF 238.78 FEET; THENCE NORTH 16° 40' 31" EAST A DISTANCE OF 229.04 FEET; THENCE NORTH 32° 34' 19" WEST A DISTANCE OF 97.09 FEET; THENCE NORTH 52° 11' 49" WEST A DISTANCE OF 71.16 FEET TO THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 26; THENCE NORTH 89° 05' 15" EAST ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 26 A DISTANCE OF 1574.61 FEET TO THE NORTHWEST CORNER OF THAT PARCEL OF LAND DESCRIBED IN A WARRANTY DEED RECORDED JANUARY 7, 1988 AS RECEPTION NO. 2127245 OF THE RECORDS OF WELD COUNTY; THE NEXT 4 COURSES AND DISTANCES ARE ALONG THE WESTERLY LINES OF SAID PARCEL OF LAND DESCRIBED IN A WARRANTY DEED RECORDED JANUARY 7, 1988 AS RECEPTION NO. 2127245 OF THE RECORDS OF WELD COUNTY; THENCE SOUTH 10° 48' 53" EAST A DISTANCE OF 109.83 FEET; THENCE SOUTH 41° 40' 47" EAST A DISTANCE OF 231.70 FEET THENCE SOUTH 36° 37' 12" EAST A DISTANCE OF 745.49 FEET; THENCE SOUTH 73° 55' 01" EAST A DISTANCE OF 113.85 FEET TO THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 26 AND TO THE TRUE POINT OF BEGINNING, COUNTY OF WELD, STATE OF COLORADO.

Our Order No. FTG25083401

EXHIBIT "A" LEGAL DESCRIPTION

PARCEL 2:

A PARCEL OF LAND SITUATE IN THE NORTHEAST QUARTER OF SECTION 26, TOWNSHIP 2 NORTH, RANGE 68 WEST OF THE 6TH P.M., COUNTY OF WELD, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF THE NORTHEAST QUARTER OF SAID SECTION 26 LYING EASTERLY OF FREDERICK WEST BUSINESS CENTER, FILING 3, RECORDED AUGUST 4, 1998 AS RECEPTION NO. 2630554 OF THE RECORDS OF WELD COUNTY, EXCEPTING THEREFROM LOT 1 OF MINOR SUBDIVISION PLAT ELEMENTARY 21, FREDERICK, RECORDED JUNE 17, 2004 AT RECEPTION NO. 3190074 OF THE RECORDS OF WELD, COUNTY.

Form TGP/LTIC

Our Order No. FTG25083401

Schedule B

This policy does not insure against loss or damage, nor against costs, attorneys' fees or expenses, any or all of which arise by reason of the following:

1. All taxes or assessments unless the current status or amount are expressly set forth herein.
2. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other facts which a correct survey would disclose.
3. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water.
4. Easements and Covenants, Conditions and Restrictions, if any.
5. Liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed or agreed to by the insured claimant; (b) attaching or created subsequent to Date of Policy.
6. Rights or claims of parties in possession not shown by the public records.
7. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.
8. Subject to the Mortgages or Deeds of Trust of record described as follows:

No guarantee is made regarding any encumbrance other than those specifically provided for below. If information was requested by reference to a street address, no guarantee is made that said land is the same as said address.

9. DEED OF TRUST DATED JULY 03, 2006, FROM WALLACE H. GRANT AND WALLSPRING LLC AND DOUGLAS GRANT TO THE PUBLIC TRUSTEE OF WELD COUNTY FOR THE USE OF CENTENNIAL BANK OF THE WEST TO SECURE THE SUM OF \$1,500,000.00 RECORDED JULY 10, 2006, UNDER RECEPTION NO. 3401698.
10. DEED OF TRUST DATED JANUARY 03, 2005, FROM W H GRANT ENTERPRISES LLC TO THE PUBLIC TRUSTEE OF WELD COUNTY FOR THE USE OF WILLIAM J. MCCARREN TO SECURE THE SUM OF \$382,154.51 RECORDED JANUARY 06, 2005, UNDER RECEPTION NO. 3250260.
11. DEED OF TRUST DATED JULY 09, 2007, FROM WH GRANT ENTERPRISES LLC, EJD LLC, DOUGLAS GRANT, CINDIE A. REDDINGTON, CHARLES P. SMITH AND MICHAEL C. WOOD TO THE PUBLIC TRUSTEE OF WELD COUNTY FOR THE USE OF MICHAEL C. WOOD TO SECURE THE SUM OF \$150,000.00 RECORDED AUGUST 09, 2007, UNDER RECEPTION NO. 3496152.

EXHIBIT D-1

**HINKLE FARM CAPITAL PLAN
(INITIAL DISTRICT AREA)**

HINKLE FARM
EXHIBIT D-1 - CAPITAL PLAN

Frederick, Colorado
Project: 1300
Date: May 19, 2008

Item	Total
1. GRADING AND PREP	\$ 505,437.00
2. EROSION CONTROL	\$ 45,305.17
3. STREETS	\$ 1,875,525.89
4. STORM DRAIN AND CHANNELS	\$ 589,015.44
5. DOMESTIC WATER	\$ 525,859.07
6. SANITARY SEWER	\$ 545,655.13
7. LANDSCAPING	\$ 404,601.76
8. MOBILIZATION/BONDING	\$ 112,284.99
TOTAL	\$ 4,603,684.45

Prepared by:
JLB Engineering Consultants
Louisville, Colorado 80027

EXHIBIT D-2

**WESTERVELT FARM CAPITAL PLAN
(INCLUSION AREA)**

Westervelt Farm
Exhibit D-2 - Capital Plan

WESTERVELT FARM
EXHIBIT D-2 - CAPITAL PLAN

Frederick, Colorado

Project: 1300

Date: May 19, 2008

Item	Total
1. GRADING AND PREP	\$ 652,451.91
2. EROSION CONTROL	\$ 58,482.95
3. STREETS	\$ 2,421,054.34
4. STORM DRAIN AND CHANNELS	\$ 760,340.55
5. DOMESTIC WATER	\$ 678,814.09
6. SANITARY SEWER	\$ 704,368.16
7. LANDSCAPING	\$ 522,287.03
8. MOBILIZATION/BONDING	\$ 144,944.98
TOTAL	\$ 5,942,744.00

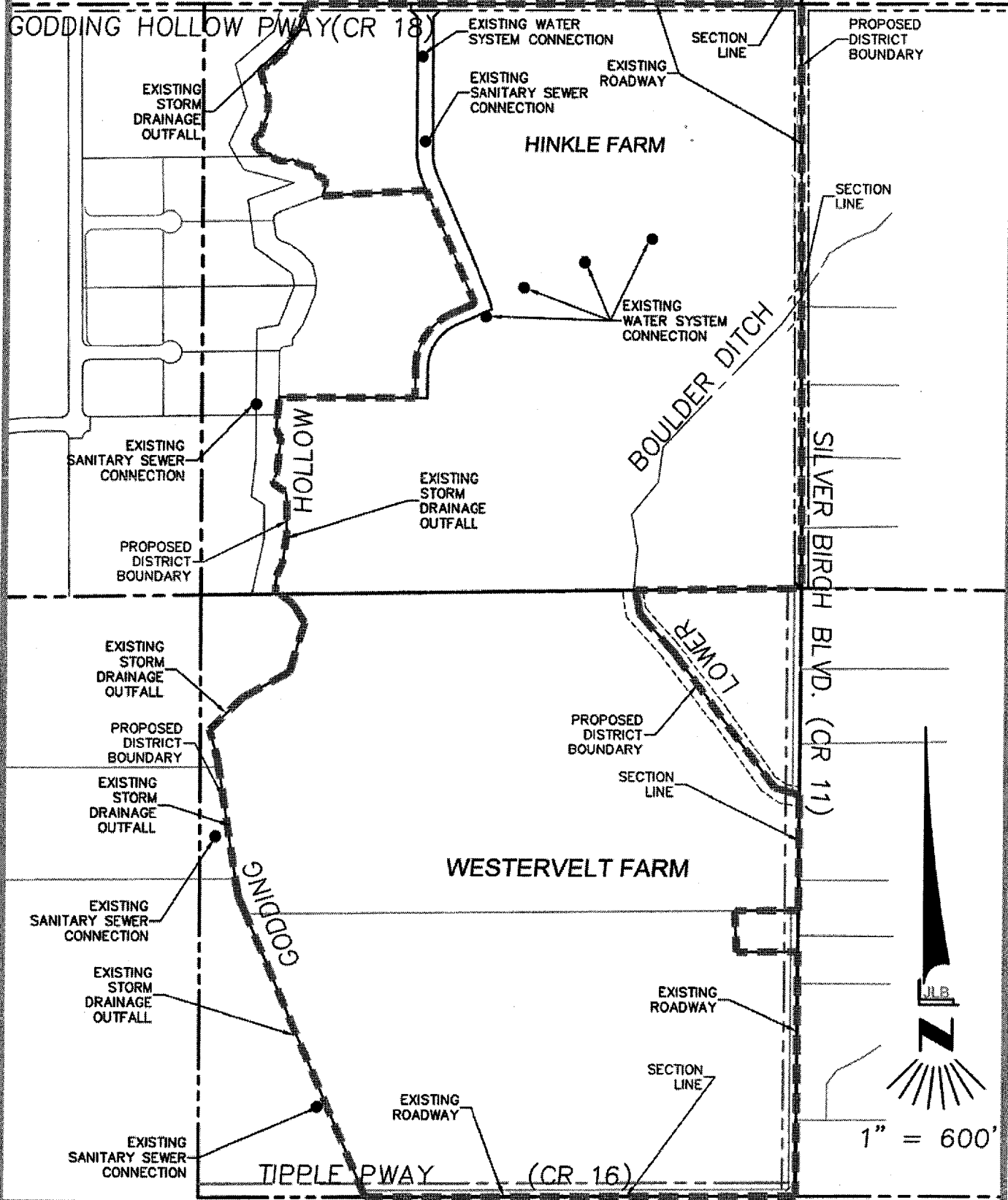
Prepared by:

JLB Engineering Consultants
Louisville, Colorado 80027

EXHIBIT E

MAP DEPICTING PUBLIC IMPROVEMENTS

EXHIBIT E-1 - MAP OF PUBLIC IMPROVEMENTS

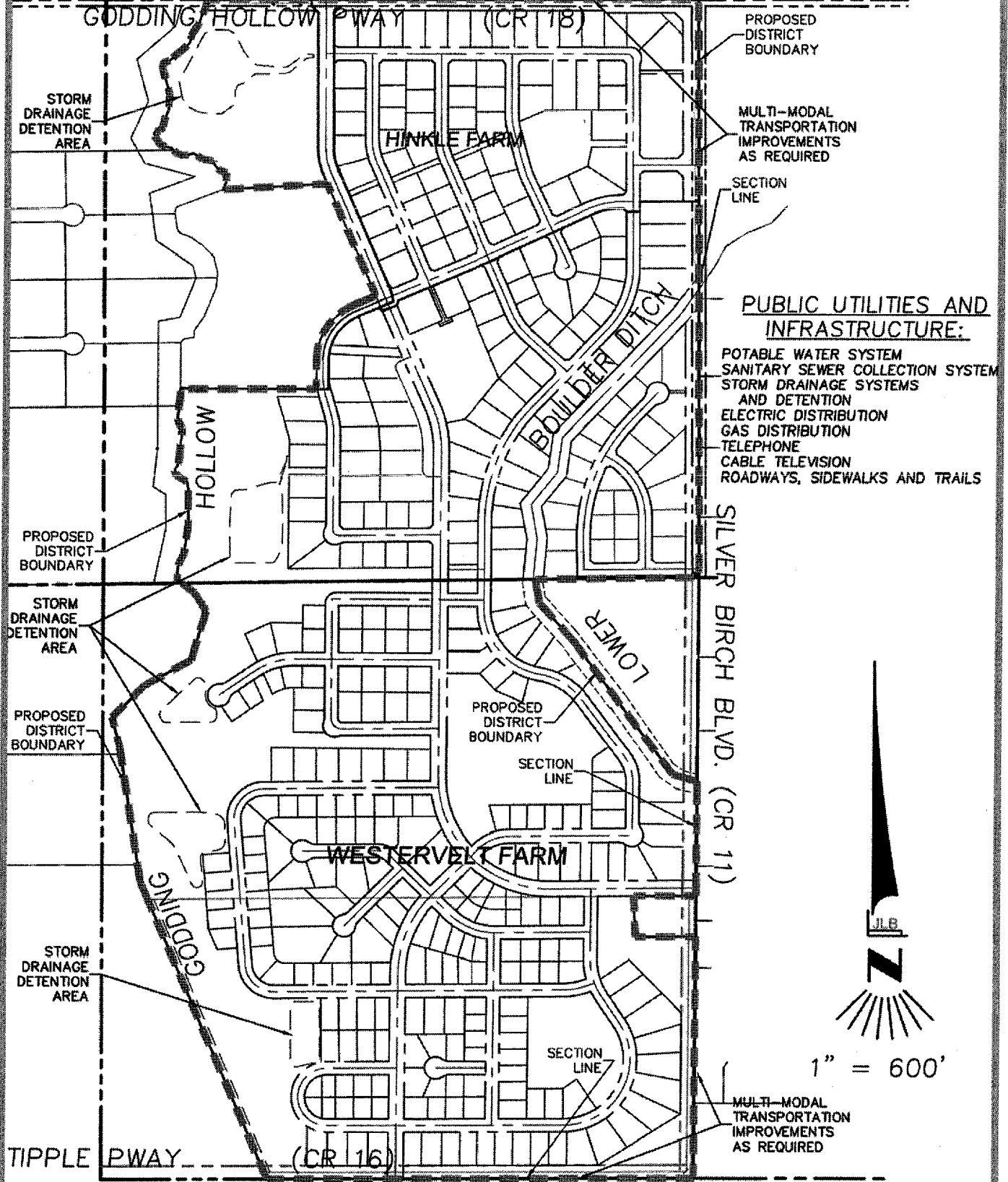


MAP OF PUBLIC IMP.
 HINKLE/WESTERVELT
 TOWN OF FREDERICK, WELD COUNTY, COLORADO

CLIENT: WH GRANT
 PROJECT NO: 1300
 DATE: 05/19/08
 REVISED: 07/14/08

SHEET: 1 OF 1

EXHIBIT E-2 - MAP OF PUBLIC IMPROVEMENTS



MAP OF PUBLIC IMP.
HINKLE/WESTERVELT
TOWN OF FREDERICK, WELD COUNTY, COLORADO

CLIENT: WH GRANT
 PROJECT NO: 1300
 DATE: 05/19/08
 REVISED: 07/14/08

SHEET: 1 OF 1

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EXHIBIT F-1

FINANCIAL PLAN

(Scenario I – No Inclusion of Inclusion Area/Westervelt)

Hinkle Farms Metropolitan District
 In the Town of Frederick, Colorado
 Limited Tax General Obligation Bonds
 SCENARIO I - NO INCLUSION
 Bond Cash flow - District Debt Capacity Schedule

Collection Year	Revenue						Series 2010					Coverage	Annual Surplus/Deficit	Developer Contribution	Cumulative Surplus/Deficit	Senior Bonds Outstanding	Senior Bonds Debt/Assessed
	Total Cumulative Assessed Value ⁽¹⁾⁽²⁾	Mill Levy	Total Property Tax Revenue @ 98.00%	Specific Owaership Tax @ 6.0% of Property Tax	Facility Fee	Net Revenue Available for Series 2010 Debt Service	Principal	Interest ⁽³⁾	Capitalized Interest	Debt Service Reserve Fund Int.	Net Debt Service ⁽⁴⁾						
2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2009	-	35	-	-	-	17,000	-	-	-	-	-	-	17,000	-	-	17,000	\$3,205,000
2010	-	35	-	-	-	17,000	-	-	-	-	-	-	17,000	-	-	34,000	\$3,205,000
2011	642,770	35	22,047	1,323	-	17,000	40,370	240,375	(240,375)	-	-	-	40,370	-	-	74,370	\$3,205,000
2012	1,285,540	35	44,094	2,646	-	17,000	63,740	240,375	(240,375)	-	-	-	63,740	-	-	138,109	\$3,205,000
2013	1,979,732	35	67,905	4,074	-	17,000	88,979	240,375	(240,375)	-	-	-	88,979	-	-	227,089	\$3,205,000
2014	2,622,502	35	89,952	5,397	-	17,000	112,349	240,375	-	(14,423)	225,953	0.497	(113,604)	-	-	113,485	\$3,205,000
2015	3,370,172	35	115,597	6,936	-	17,000	139,533	240,375	-	(14,423)	225,953	0.618	(86,420)	-	-	27,065	\$3,205,000
2016	4,012,942	35	137,644	8,259	-	17,000	162,903	240,375	-	(14,423)	225,953	0.721	(63,050)	35,985	-	-	\$3,205,000
2017	4,816,229	35	165,197	9,912	-	17,000	192,108	240,375	-	(14,423)	225,953	0.850	(33,844)	33,844	-	-	\$3,205,000
2018	5,458,999	35	187,244	11,235	-	12,000	210,478	240,375	-	(14,423)	225,953	0.932	(15,474)	15,474	-	-	\$3,205,000
2019	6,320,129	35	216,780	13,007	-	-	229,787	240,375	-	(14,423)	225,953	1.017	3,835	-	-	3,835	\$3,205,000
2020	6,773,849	35	232,343	13,941	-	-	246,284	240,375	-	(14,423)	245,953	1.001	331	-	-	4,166	\$3,185,000
2021	7,044,803	35	241,637	14,498	-	-	256,135	30,000	238,875	-	(14,423)	1.007	1,682	-	-	5,848	\$3,155,000
2022	7,044,803	35	241,637	14,498	-	-	256,135	30,000	236,625	-	(14,423)	1.016	3,932	-	-	9,781	\$3,125,000
2023	7,326,595	35	251,302	15,078	-	-	266,380	45,000	234,375	-	(14,423)	1.005	1,428	-	-	11,209	\$3,080,000
2024	7,326,595	35	251,302	15,078	-	-	266,380	45,000	231,000	-	(14,423)	1.018	4,803	-	-	16,012	\$3,035,000
2025	7,619,659	35	261,354	15,681	-	-	277,036	60,000	227,625	-	(14,423)	1.014	3,833	-	-	19,845	\$2,975,000
2026	7,619,659	35	261,354	15,681	-	-	277,036	65,000	223,125	-	(14,423)	1.012	3,333	-	-	23,178	\$2,910,000
2027	7,924,446	35	271,808	16,309	-	-	288,117	80,000	218,250	-	(14,423)	1.015	4,289	-	-	27,467	\$2,830,000
2028	7,924,446	35	271,808	16,309	-	-	288,117	85,000	212,250	-	(14,423)	1.019	5,289	-	-	32,757	\$2,745,000
2029	8,241,423	35	282,681	16,961	-	-	299,642	105,000	205,875	-	(14,423)	1.011	3,189	-	-	35,946	\$2,640,000
2030	8,241,423	35	282,681	16,961	-	-	299,642	115,000	198,000	-	(14,423)	1.004	1,064	-	-	37,010	\$2,525,000
2031	8,571,080	35	293,988	17,639	-	-	311,627	135,000	189,375	-	(14,423)	1.005	1,675	-	-	38,685	\$2,390,000
2032	8,571,080	35	293,988	17,639	-	-	311,627	145,000	179,250	-	(14,423)	1.006	1,800	-	-	40,485	\$2,245,000
2033	8,913,924	35	305,748	18,345	-	-	324,092	170,000	168,375	-	(14,423)	1.000	140	-	-	40,625	\$2,075,000
2034	8,913,924	35	305,748	18,345	-	-	324,092	180,000	155,625	-	(14,423)	1.009	2,890	-	-	43,515	\$1,895,000
2035	9,270,481	35	317,977	19,079	-	-	337,056	205,000	142,125	-	(14,423)	1.013	4,354	-	-	47,868	\$1,690,000
2036	9,270,481	35	317,977	19,079	-	-	337,056	220,000	126,750	-	(14,423)	1.014	4,729	-	-	52,597	\$1,470,000
2037	9,641,300	35	330,697	19,842	-	-	350,538	250,000	110,250	-	(14,423)	1.014	4,711	-	-	57,308	\$1,220,000
2038	9,641,300	35	330,697	19,842	-	-	350,538	270,000	91,500	-	(14,423)	1.010	3,461	-	-	60,769	\$950,000
2039	10,026,952	35	343,924	20,635	-	-	364,560	305,000	71,250	-	(14,423)	1.008	2,732	-	-	63,501	\$645,000
2040	10,026,952	35	343,924	20,635	-	-	364,560	645,000	48,375	-	(334,923)	1.017	6,107	-	-	69,608	\$0
Total:			\$9,716,455	\$582,987	\$165,000	\$10,464,443	\$3,205,000	\$5,912,625	-\$721,125	-\$709,908	\$7,686,593	-	\$2,777,830	\$85,303			

- Notes:
 (1) Based on estimated values based on preliminary values provided by the Developer.
 (2) Assumes biennial inflation of 4.00% for residential properties.
 (3) Interest rate assumptions: non-rated with a 7.50% interest rate.
 (4) Bond issues based on a par amount of \$3,205,000 with net project proceeds of \$2,117,571.35.

Hinkle Farms Metropolitan District
 In the Town of Frederick, Colorado
 Limited Tax General Obligation Bonds
 SCENARIO I - NO INCLUSION
 Schedule of Single Family Assessed Valuation

Ave. Hm. Value	Hinkle Property \$475,000				Residential Home Construction					Lot Absorption				
	Annual Homes Complete	Total Homes Completed	Annual Absorption	Cumulative Market Value	Annual Homes Complete	Total Homes Completed	Biennial Mkt Reassessment @4.00%	Cumulative Market Value ⁽¹⁾	Cumulative Assessed Value ⁽²⁾	Annual Lots Absorbed/Platted	Total Lots Absorbed but not Completed	Cumulative Market Value	Cumulative Assessed Value @ 29.0%	Cumulative Assessed Value
2007	-	-	-	\$	-	-	-	\$	\$	0	0	0	0	\$
2008	-	-	-	-	-	-	-	-	0	515	515	0	0	0
2009	17	17	8,075,000	8,075,000	17	17	-	8,075,000	642,770	0	498	0	0	642,770
2010	17	34	8,075,000	16,150,000	17	34	-	16,150,000	1,285,540	0	481	0	0	1,285,540
2011	17	51	8,075,000	24,225,000	17	51	646,000	24,871,000	1,979,732	0	464	0	0	1,979,732
2012	17	68	8,075,000	32,300,000	17	68	-	32,946,000	2,622,502	0	447	0	0	2,622,502
2013	17	85	8,075,000	40,375,000	17	85	1,317,840	42,338,840	3,370,172	0	430	0	0	3,370,172
2014	17	102	8,075,000	48,450,000	17	102	-	50,413,840	4,012,942	0	413	0	0	4,012,942
2015	17	119	8,075,000	56,525,000	17	119	2,016,554	60,505,394	4,816,229	0	396	0	0	4,816,229
2016	17	136	8,075,000	64,600,000	17	136	-	68,580,394	5,458,999	0	379	0	0	5,458,999
2017	17	153	8,075,000	72,675,000	17	153	2,743,216	79,398,609	6,320,129	0	362	0	0	6,320,129
2018	12	165	5,700,000	78,375,000	12	165	-	85,098,609	6,773,849	0	350	0	0	6,773,849
2019	-	165	-	78,375,000	-	165	3,403,944	88,502,554	7,044,803	0	350	0	0	7,044,803
2020	-	165	-	78,375,000	-	165	-	88,502,554	7,044,803	0	350	0	0	7,044,803
2021	-	165	-	78,375,000	-	165	3,540,102	92,042,656	7,326,595	0	350	0	0	7,326,595
2022	-	165	-	78,375,000	-	165	-	92,042,656	7,326,595	0	350	0	0	7,326,595
2023	-	165	-	78,375,000	-	165	3,681,706	95,724,362	7,619,659	0	350	0	0	7,619,659
2024	-	165	-	78,375,000	-	165	-	95,724,362	7,619,659	0	350	0	0	7,619,659
2025	-	165	-	78,375,000	-	165	3,828,974	99,553,337	7,924,446	0	350	0	0	7,924,446
2026	-	165	-	78,375,000	-	165	-	99,553,337	7,924,446	0	350	0	0	7,924,446
2027	-	165	-	78,375,000	-	165	3,982,133	103,535,470	8,241,423	0	350	0	0	8,241,423
2028	-	165	-	78,375,000	-	165	-	103,535,470	8,241,423	0	350	0	0	8,241,423
2029	-	165	-	78,375,000	-	165	4,141,419	107,676,889	8,571,080	0	350	0	0	8,571,080
2030	-	165	-	78,375,000	-	165	-	107,676,889	8,571,080	0	350	0	0	8,571,080
2031	-	165	-	78,375,000	-	165	4,307,076	111,983,964	8,913,924	0	350	0	0	8,913,924
2032	-	165	-	78,375,000	-	165	-	111,983,964	8,913,924	0	350	0	0	8,913,924
2033	-	165	-	78,375,000	-	165	4,479,359	116,463,323	9,270,481	0	350	0	0	9,270,481
2034	-	165	-	78,375,000	-	165	-	116,463,323	9,270,481	0	350	0	0	9,270,481
2035	-	165	-	78,375,000	-	165	4,658,533	121,121,856	9,641,300	0	350	0	0	9,641,300
2036	-	165	-	78,375,000	-	165	-	121,121,856	9,641,300	0	350	0	0	9,641,300
2037	-	165	-	78,375,000	-	165	4,844,874	125,966,730	10,026,952	0	350	0	0	10,026,952
2038	-	165	-	78,375,000	-	165	-	125,966,730	10,026,952	0	350	0	0	10,026,952
2039	-	165	-	78,375,000	-	165	5,038,669	131,005,399	10,428,030	0	350	0	0	10,428,030
2040	-	165	-	78,375,000	-	165	-	131,005,399	10,428,030	0	350	0	0	10,428,030
2041	-	165	-	78,375,000	-	165	5,240,216	136,245,615	10,845,151	0	350	0	0	10,845,151
2042	-	165	-	78,375,000	-	165	-	136,245,615	10,845,151	0	350	0	0	10,845,151
2043	-	165	-	78,375,000	-	165	5,449,825	141,695,440	11,278,957	0	350	0	0	11,278,957
2044	-	165	-	78,375,000	-	165	-	141,695,440	11,278,957	0	350	0	0	11,278,957
2045	-	165	-	78,375,000	-	165	5,667,818	147,363,258	11,730,115	0	350	0	0	11,730,115
2046	-	165	-	78,375,000	-	165	-	147,363,258	11,730,115	0	350	0	0	11,730,115
2047	-	165	-	78,375,000	-	165	5,894,530	153,257,788	12,199,320	0	350	0	0	12,199,320
		165		78,375,000		165					515			

SCENARIO I - NO INCLUSION

\$3,205,000

Hinkle Farms Metropolitan District
Limited Tax General Obligation Bonds
Series 2010

Sources & Uses

Sources Of Funds

Par Amount of Bonds \$3,205,000.00

Total Sources \$3,205,000.00

Uses Of Funds

Total Underwriter's Discount (2.000%) 64,100.00

Costs of Issuance 70,000.00

Deposit to Debt Service Reserve Fund 320,500.00

Deposit to Capitalized Interest (CIF) Fund 632,828.65

Proceeds Available for Construction 2,117,571.35

Total Uses \$3,205,000.00

SCENARIO I - NO INCLUSION

\$3,205,000

Hinkle Farms Metropolitan District
 Limited Tax General Obligation Bonds
 Series 2010

Net Debt Service Schedule

DATE	PRINCIPAL	COUPON	INTEREST	TOTAL P+I	DSR	NET NEW D/S
12/01/2009	-	-	-	-	-	-
12/01/2010	-	-	240,375.00	240,375.00	-	240,375.00
12/01/2011	-	-	240,375.00	240,375.00	-	240,375.00
12/01/2012	-	-	240,375.00	240,375.00	-	240,375.00
12/01/2013	-	0.00%	240,375.00	240,375.00	(14,422.50)	225,952.50
12/01/2014	-	0.00%	240,375.00	240,375.00	(14,422.50)	225,952.50
12/01/2015	-	0.00%	240,375.00	240,375.00	(14,422.50)	225,952.50
12/01/2016	-	0.00%	240,375.00	240,375.00	(14,422.50)	225,952.50
12/01/2017	-	0.00%	240,375.00	240,375.00	(14,422.50)	225,952.50
12/01/2018	-	0.00%	240,375.00	240,375.00	(14,422.50)	225,952.50
12/01/2019	20,000.00	7.50%	240,375.00	260,375.00	(14,422.50)	245,952.50
12/01/2020	30,000.00	7.50%	238,875.00	268,875.00	(14,422.50)	254,452.50
12/01/2021	30,000.00	7.50%	236,625.00	266,625.00	(14,422.50)	252,202.50
12/01/2022	45,000.00	7.50%	234,375.00	279,375.00	(14,422.50)	264,952.50
12/01/2023	45,000.00	7.50%	231,000.00	276,000.00	(14,422.50)	261,577.50
12/01/2024	60,000.00	7.50%	227,625.00	287,625.00	(14,422.50)	273,202.50
12/01/2025	65,000.00	7.50%	223,125.00	288,125.00	(14,422.50)	273,702.50
12/01/2026	80,000.00	7.50%	218,250.00	298,250.00	(14,422.50)	283,827.50
12/01/2027	85,000.00	7.50%	212,250.00	297,250.00	(14,422.50)	282,827.50
12/01/2028	105,000.00	7.50%	205,875.00	310,875.00	(14,422.50)	296,452.50
12/01/2029	115,000.00	7.50%	198,000.00	313,000.00	(14,422.50)	298,577.50
12/01/2030	135,000.00	7.50%	189,375.00	324,375.00	(14,422.50)	309,952.50
12/01/2031	145,000.00	7.50%	179,250.00	324,250.00	(14,422.50)	309,827.50
12/01/2032	170,000.00	7.50%	168,375.00	338,375.00	(14,422.50)	323,952.50
12/01/2033	180,000.00	7.50%	155,625.00	335,625.00	(14,422.50)	321,202.50
12/01/2034	205,000.00	7.50%	142,125.00	347,125.00	(14,422.50)	332,702.50
12/01/2035	220,000.00	7.50%	126,750.00	346,750.00	(14,422.50)	332,327.50
12/01/2036	250,000.00	7.50%	110,250.00	360,250.00	(14,422.50)	345,827.50
12/01/2037	270,000.00	7.50%	91,500.00	361,500.00	(14,422.50)	347,077.50
12/01/2038	305,000.00	7.50%	71,250.00	376,250.00	(14,422.50)	361,827.50
12/01/2039	645,000.00	7.50%	48,375.00	693,375.00	(334,922.50)	358,452.50
Total	\$3,205,000.00		\$5,912,625.00	\$9,117,625.00	(709,907.50)	\$8,407,717.50

EXHIBIT F-2

FINANCIAL PLAN

(Scenario II – Hinkle Plus Inclusion Area/Westervelt)

Hinkle Farms Metropolitan District
 In the Town of Frederick, Colorado
 Limited Tax General Obligation Bonds
 SCENARIO II - INCLUSION OF WESTERVELT
 Schedule of Assessed Valuation

Completion Year	Residential Detached Construction					Lot Absorption Summary				Cumulative Market Value	Cumulative Assessed Value
	Annual Homes Complete	Total Homes Completed	Biennial Mkt Value		Cumulative Assessed Value ⁽¹⁾	Total Lots			Cumulative Assessed Value @ 29.0%		
			Reassessment @4.00%	Cumulative Market Value		Annual Lots Absorbed/Platted	Absorbed but not Completed	Cumulative Market Value			
2007	-	-	-	-	-	0	0	0	0	\$ -	\$ -
2008	-	-	-	-	-	515	515	0	0	0	0
2009	17	17	-	8,075,000	642,770	0	498	0	0	8,075,000	642,770
2010	52	69	-	28,750,000	2,288,500	0	446	0	0	28,750,000	2,288,500
2011	52	121	1,150,000	50,575,000	4,025,770	0	394	0	0	50,575,000	4,025,770
2012	52	173	-	71,250,000	5,671,500	0	342	0	0	71,250,000	5,671,500
2013	52	225	2,850,000	94,775,000	7,544,090	0	290	0	0	94,775,000	7,544,090
2014	52	277	-	115,450,000	9,189,820	0	238	0	0	115,450,000	9,189,820
2015	52	329	4,618,000	140,743,000	11,203,143	0	186	0	0	140,743,000	11,203,143
2016	52	381	-	161,418,000	12,848,873	0	134	0	0	161,418,000	12,848,873
2017	52	433	6,456,720	188,549,720	15,008,558	0	82	0	0	188,549,720	15,008,558
2018	47	480	-	206,849,720	16,465,238	0	35	0	0	206,849,720	16,465,238
2019	35	515	8,273,989	227,723,709	18,126,807	0	0	0	0	227,723,709	18,126,807
2020	-	515	-	227,723,709	18,126,807	0	0	0	0	227,723,709	18,126,807
2021	-	515	9,108,948	236,832,657	18,851,880	0	0	0	0	236,832,657	18,851,880
2022	-	515	-	236,832,657	18,851,880	0	0	0	0	236,832,657	18,851,880
2023	-	515	9,473,306	246,305,963	19,605,955	0	0	0	0	246,305,963	19,605,955
2024	-	515	-	246,305,963	19,605,955	0	0	0	0	246,305,963	19,605,955
2025	-	515	9,852,239	256,158,202	20,390,193	0	0	0	0	256,158,202	20,390,193
2026	-	515	-	256,158,202	20,390,193	0	0	0	0	256,158,202	20,390,193
2027	-	515	10,246,328	266,404,530	21,205,801	0	0	0	0	266,404,530	21,205,801
2028	-	515	-	266,404,530	21,205,801	0	0	0	0	266,404,530	21,205,801
2029	-	515	10,656,181	277,060,711	22,054,033	0	0	0	0	277,060,711	22,054,033
2030	-	515	-	277,060,711	22,054,033	0	0	0	0	277,060,711	22,054,033
2031	-	515	11,082,428	288,143,140	22,936,194	0	0	0	0	288,143,140	22,936,194
2032	-	515	-	288,143,140	22,936,194	0	0	0	0	288,143,140	22,936,194
2033	-	515	11,525,726	299,668,865	23,853,642	0	0	0	0	299,668,865	23,853,642
2034	-	515	-	299,668,865	23,853,642	0	0	0	0	299,668,865	23,853,642
2035	-	515	11,986,755	311,655,620	24,807,787	0	0	0	0	311,655,620	24,807,787
2036	-	515	-	311,655,620	24,807,787	0	0	0	0	311,655,620	24,807,787
2037	-	515	12,466,225	324,121,845	25,800,099	0	0	0	0	324,121,845	25,800,099
2038	-	515	-	324,121,845	25,800,099	0	0	0	0	324,121,845	25,800,099
2039	-	515	12,964,874	337,086,718	26,832,103	0	0	0	0	337,086,718	26,832,103
2040	-	515	-	337,086,718	26,832,103	0	0	0	0	337,086,718	26,832,103
2041	-	515	13,483,469	350,570,187	27,905,387	0	0	0	0	350,570,187	27,905,387
2042	-	515	-	350,570,187	27,905,387	0	0	0	0	350,570,187	27,905,387
2043	-	515	14,022,807	364,592,995	29,021,602	0	0	0	0	364,592,995	29,021,602
2044	-	515	-	364,592,995	29,021,602	0	0	0	0	364,592,995	29,021,602
2045	-	515	14,583,720	379,176,715	30,182,466	0	0	0	0	379,176,715	30,182,466
2046	-	515	-	379,176,715	30,182,466	0	0	0	0	379,176,715	30,182,466
2047	-	515	15,167,069	394,343,783	31,389,765	0	0	0	0	394,343,783	31,389,765
	515					515					

(1) Assumes 7.96% residential assessment rate through 2039.

Hinkle Farms Metropolitan District
 In the Town of Frederick, Colorado
 Limited Tax General Obligation Bonds
 SCENARIO II - INCLUSION OF WESTERVELT
 Schedule of Single Family Assessed Valuation

Ave./Hm. Value	Hinkle Property \$475,000				Westervelt Property \$360,000				Residential Home Construction				Lot Absorption							
	Annual Homes Complete	Total Homes Completed	Annual Absorption	Cumulative Market Value	Annual Homes Complete	Total Homes Completed	Annual Absorption	Cumulative Market Value	Annual Homes Complete	Total Homes Completed	Biennial Mkt Value @ 4.00%		Cumulative Market Value ⁽¹⁾	Cumulative Assessed Value ⁽²⁾	Annual Lots Absorbed/Platted	Total Lots		Cumulative Market Value	Assessed Value @ 29.0%	Cumulative Assessed Value
											Reassessment	Value				Absorbed but not Completed	Completed			
2007	-	-	-	\$ -	-	-	-	\$ -	-	-	-	-	\$ -	-	0	0	0	0	\$ -	
2008	-	-	-	-	-	-	-	-	-	-	-	-	0	515	515	0	0	0	0	
2009	17	17	8,075,000	8,075,000	-	-	-	-	17	17	-	8,075,000	642,770	0	515	498	0	0	642,770	
2010	17	34	8,075,000	16,150,000	35	35	12,600,000	12,600,000	52	69	-	28,750,000	2,238,500	0	0	446	0	0	2,238,500	
2011	17	51	8,075,000	24,225,000	35	70	12,600,000	25,200,000	52	121	1,150,000	50,575,000	4,025,770	0	0	394	0	0	4,025,770	
2012	17	68	8,075,000	32,300,000	35	105	12,600,000	37,800,000	52	173	-	71,250,000	5,671,500	0	0	342	0	0	5,671,500	
2013	17	85	8,075,000	40,375,000	35	140	12,600,000	50,400,000	52	225	2,850,000	94,775,000	7,544,090	0	0	290	0	0	7,544,090	
2014	17	102	8,075,000	48,450,000	35	175	12,600,000	63,000,000	52	277	-	115,450,000	9,189,820	0	0	238	0	0	9,189,820	
2015	17	119	8,075,000	56,525,000	35	210	12,600,000	75,600,000	52	329	4,618,000	140,743,000	11,203,143	0	0	186	0	0	11,203,143	
2016	17	136	8,075,000	64,600,000	35	245	12,600,000	88,200,000	52	381	-	161,418,000	12,848,873	0	0	134	0	0	12,848,873	
2017	17	153	8,075,000	72,675,000	35	280	12,600,000	100,800,000	52	433	6,456,720	188,549,720	15,008,558	0	0	82	0	0	15,008,558	
2018	12	165	5,700,000	78,375,000	35	315	12,600,000	113,400,000	47	480	-	206,849,720	16,465,238	0	0	35	0	0	16,465,238	
2019	-	165	-	78,375,000	35	350	12,600,000	126,000,000	35	515	8,273,989	227,723,709	18,126,807	0	0	0	0	0	18,126,807	
2020	-	165	-	78,375,000	-	350	-	126,000,000	-	515	-	227,723,709	18,126,807	0	0	0	0	0	18,126,807	
2021	-	165	-	78,375,000	-	350	-	126,000,000	-	515	9,108,948	236,832,657	18,851,880	0	0	0	0	0	18,851,880	
2022	-	165	-	78,375,000	-	350	-	126,000,000	-	515	-	236,832,657	18,851,880	0	0	0	0	0	18,851,880	
2023	-	165	-	78,375,000	-	350	-	126,000,000	-	515	9,473,306	246,305,963	19,605,955	0	0	0	0	0	19,605,955	
2024	-	165	-	78,375,000	-	350	-	126,000,000	-	515	-	246,305,963	19,605,955	0	0	0	0	0	19,605,955	
2025	-	165	-	78,375,000	-	350	-	126,000,000	-	515	9,852,239	256,158,202	20,390,193	0	0	0	0	0	20,390,193	
2026	-	165	-	78,375,000	-	350	-	126,000,000	-	515	-	256,158,202	20,390,193	0	0	0	0	0	20,390,193	
2027	-	165	-	78,375,000	-	350	-	126,000,000	-	515	10,246,328	266,404,530	21,205,801	0	0	0	0	0	21,205,801	
2028	-	165	-	78,375,000	-	350	-	126,000,000	-	515	-	266,404,530	21,205,801	0	0	0	0	0	21,205,801	
2029	-	165	-	78,375,000	-	350	-	126,000,000	-	515	10,656,181	277,060,711	22,054,033	0	0	0	0	0	22,054,033	
2030	-	165	-	78,375,000	-	350	-	126,000,000	-	515	-	277,060,711	22,054,033	0	0	0	0	0	22,054,033	
2031	-	165	-	78,375,000	-	350	-	126,000,000	-	515	11,082,428	288,143,140	22,936,194	0	0	0	0	0	22,936,194	
2032	-	165	-	78,375,000	-	350	-	126,000,000	-	515	-	288,143,140	22,936,194	0	0	0	0	0	22,936,194	
2033	-	165	-	78,375,000	-	350	-	126,000,000	-	515	11,525,726	299,668,865	23,853,642	0	0	0	0	0	23,853,642	
2034	-	165	-	78,375,000	-	350	-	126,000,000	-	515	-	299,668,865	23,853,642	0	0	0	0	0	23,853,642	
2035	-	165	-	78,375,000	-	350	-	126,000,000	-	515	11,986,755	311,655,620	24,807,787	0	0	0	0	0	24,807,787	
2036	-	165	-	78,375,000	-	350	-	126,000,000	-	515	-	311,655,620	24,807,787	0	0	0	0	0	24,807,787	
2037	-	165	-	78,375,000	-	350	-	126,000,000	-	515	12,466,225	324,121,845	25,800,099	0	0	0	0	0	25,800,099	
2038	-	165	-	78,375,000	-	350	-	126,000,000	-	515	-	324,121,845	25,800,099	0	0	0	0	0	25,800,099	
2039	-	165	-	78,375,000	-	350	-	126,000,000	-	515	12,964,874	337,086,718	26,832,103	0	0	0	0	0	26,832,103	
2040	-	165	-	78,375,000	-	350	-	126,000,000	-	515	-	337,086,718	26,832,103	0	0	0	0	0	26,832,103	
2041	-	165	-	78,375,000	-	350	-	126,000,000	-	515	13,483,469	350,570,187	27,905,387	0	0	0	0	0	27,905,387	
2042	-	165	-	78,375,000	-	350	-	126,000,000	-	515	-	350,570,187	27,905,387	0	0	0	0	0	27,905,387	
2043	-	165	-	78,375,000	-	350	-	126,000,000	-	515	14,022,807	364,592,995	29,021,602	0	0	0	0	0	29,021,602	
2044	-	165	-	78,375,000	-	350	-	126,000,000	-	515	-	364,592,995	29,021,602	0	0	0	0	0	29,021,602	
2045	-	165	-	78,375,000	-	350	-	126,000,000	-	515	14,583,720	379,176,715	30,182,466	0	0	0	0	0	30,182,466	
2046	-	165	-	78,375,000	-	350	-	126,000,000	-	515	-	379,176,715	30,182,466	0	0	0	0	0	30,182,466	
2047	-	165	-	78,375,000	-	350	-	126,000,000	-	515	15,167,069	394,343,783	31,389,765	0	0	0	0	0	31,389,765	
		165		78,375,000		350		126,000,000		515					515					

SCENARIO II - INCLUSION OF WESTERVELT

\$2,000,000

Hinkle Farms Metropolitan District
Limited Tax General Obligation Bonds
Series 2010

Sources & Uses

Sources Of Funds

Par Amount of Bonds	\$2,000,000.00
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Total Sources	\$2,000,000.00
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Uses Of Funds

Total Underwriter's Discount (2.000%)	40,000.00
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Costs of Issuance	70,000.00
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Deposit to Debt Service Reserve Fund	176,750.00
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Deposit to Capitalized Interest (CIF) Fund	397,831.10
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Proceeds Available for Construction	1,315,418.90
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Total Uses	\$2,000,000.00
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SCENARIO II - INCLUSION OF WESTERVELT

\$2,000,000

Hinkle Farms Metropolitan District
 Limited Tax General Obligation Bonds
 Series 2010

Net Debt Service Schedule

DATE	PRINCIPAL	COUPON	INTEREST	TOTAL P+I	DSR	NET NEW D/S
12/01/2009	-	-	-	-	-	-
12/01/2010	-	-	150,000.00	150,000.00	-	150,000.00
12/01/2011	-	-	150,000.00	150,000.00	-	150,000.00
12/01/2012	-	-	150,000.00	150,000.00	-	150,000.00
12/01/2013	25,000.00	7.50%	150,000.00	175,000.00	(7,953.76)	167,046.24
12/01/2014	25,000.00	7.50%	148,125.00	173,125.00	(7,953.76)	165,171.24
12/01/2015	30,000.00	7.50%	146,250.00	176,250.00	(7,953.76)	168,296.24
12/01/2016	30,000.00	7.50%	144,000.00	174,000.00	(7,953.76)	166,046.24
12/01/2017	35,000.00	7.50%	141,750.00	176,750.00	(7,953.76)	168,796.24
12/01/2018	35,000.00	7.50%	139,125.00	174,125.00	(7,953.76)	166,171.24
12/01/2019	40,000.00	7.50%	136,500.00	176,500.00	(7,953.76)	168,546.24
12/01/2020	40,000.00	7.50%	133,500.00	173,500.00	(7,953.76)	165,546.24
12/01/2021	45,000.00	7.50%	130,500.00	175,500.00	(7,953.76)	167,546.24
12/01/2022	45,000.00	7.50%	127,125.00	172,125.00	(7,953.76)	164,171.24
12/01/2023	50,000.00	7.50%	123,750.00	173,750.00	(7,953.76)	165,796.24
12/01/2024	55,000.00	7.50%	120,000.00	175,000.00	(7,953.76)	167,046.24
12/01/2025	60,000.00	7.50%	115,875.00	175,875.00	(7,953.76)	167,921.24
12/01/2026	65,000.00	7.50%	111,375.00	176,375.00	(7,953.76)	168,421.24
12/01/2027	70,000.00	7.50%	106,500.00	176,500.00	(7,953.76)	168,546.24
12/01/2028	75,000.00	7.50%	101,250.00	176,250.00	(7,953.76)	168,296.24
12/01/2029	80,000.00	7.50%	95,625.00	175,625.00	(7,953.76)	167,671.24
12/01/2030	85,000.00	7.50%	89,625.00	174,625.00	(7,953.76)	166,671.24
12/01/2031	90,000.00	7.50%	83,250.00	173,250.00	(7,953.76)	165,296.24
12/01/2032	100,000.00	7.50%	76,500.00	176,500.00	(7,953.76)	168,546.24
12/01/2033	105,000.00	7.50%	69,000.00	174,000.00	(7,953.76)	166,046.24
12/01/2034	115,000.00	7.50%	61,125.00	176,125.00	(7,953.76)	168,171.24
12/01/2035	120,000.00	7.50%	52,500.00	172,500.00	(7,953.76)	164,546.24
12/01/2036	130,000.00	7.50%	43,500.00	173,500.00	(7,953.76)	165,546.24
12/01/2037	140,000.00	7.50%	33,750.00	173,750.00	(7,953.76)	165,796.24
12/01/2038	150,000.00	7.50%	23,250.00	173,250.00	(7,953.76)	165,296.24
12/01/2039	160,000.00	7.50%	12,000.00	172,000.00	(184,703.76)	(12,703.76)
Total	\$2,000,000.00		\$3,165,750.00	\$5,165,750.00	(391,501.52)	\$4,774,248.48

Piper Jaffray & Co.
 Public Finance Services

SCENARIO II - INCLUSION OF WESTERVELT

\$8,085,000

Hinkle Farms Metropolitan District
Limited Tax General Obligation Bonds
Series 2017

Sources & Uses

Sources Of Funds

Par Amount of Bonds	\$8,085,000.00
Total Sources	\$8,085,000.00

Uses Of Funds

Total Underwriter's Discount (2.000%)	161,700.00
Costs of Issuance	70,000.00
Deposit to Debt Service Reserve Fund	808,500.00
Proceeds Available for Construction	7,044,800.00
Total Uses	\$8,085,000.00

SCENARIO II - INCLUSION OF WESTERVELT

\$8,085,000

Hinkle Farms Metropolitan District
 Limited Tax General Obligation Bonds
 Series 2017

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	Net New D/S
12/01/2017	-	-	-	-	-	-
12/01/2018	-	-	606,375	606,375	(36,383)	569,993
12/01/2019	-	-	606,375	606,375	(36,383)	569,993
12/01/2020	-	-	606,375	606,375	(36,383)	569,993
12/01/2021	-	-	606,375	606,375	(36,383)	569,993
12/01/2022	-	-	606,375	606,375	(36,383)	569,993
12/01/2023	-	-	606,375	606,375	(36,383)	569,993
12/01/2024	-	-	606,375	606,375	(36,383)	569,993
12/01/2025	-	-	606,375	606,375	(36,383)	569,993
12/01/2026	-	-	606,375	606,375	(36,383)	569,993
12/01/2027	-	-	606,375	606,375	(36,383)	569,993
12/01/2028	-	-	606,375	606,375	(36,383)	569,993
12/01/2029	30,000	7.50%	606,375	636,375	(36,383)	599,993
12/01/2030	35,000	7.50%	604,125	639,125	(36,383)	602,743
12/01/2031	65,000	7.50%	601,500	666,500	(36,383)	630,118
12/01/2032	75,000	7.50%	596,625	671,625	(36,383)	635,243
12/01/2033	110,000	7.50%	591,000	701,000	(36,383)	664,618
12/01/2034	120,000	7.50%	582,750	702,750	(36,383)	666,368
12/01/2035	160,000	7.50%	573,750	733,750	(36,383)	697,368
12/01/2036	175,000	7.50%	561,750	736,750	(36,383)	700,368
12/01/2037	220,000	7.50%	548,625	768,625	(36,383)	732,243
12/01/2038	240,000	7.50%	532,125	772,125	(36,383)	735,743
12/01/2039	290,000	7.50%	514,125	804,125	(36,383)	767,743
12/01/2040	490,000	7.50%	492,375	982,375	(36,383)	945,993
12/01/2041	555,000	7.50%	455,625	1,010,625	(36,383)	974,243
12/01/2042	595,000	7.50%	414,000	1,009,000	(36,383)	972,618
12/01/2043	680,000	7.50%	369,375	1,049,375	(36,383)	1,012,993
12/01/2044	730,000	7.50%	318,375	1,048,375	(36,383)	1,011,993
12/01/2045	825,000	7.50%	263,625	1,088,625	(36,383)	1,052,243
12/01/2046	885,000	7.50%	201,750	1,086,750	(36,383)	1,050,368
12/01/2047	1,805,000	7.50%	135,375	1,940,375	(844,883)	1,095,493
Total	\$8,085,000	-	\$15,633,375	\$23,718,375	(1,899,975)	\$21,818,400

EXHIBIT G

INTERGOVERNMENTAL AGREEMENT

TOWN OF FREDERICK

MODEL

INTERGOVERNMENTAL AGREEMENT BETWEEN

THE TOWN OF FREDERICK, COLORADO AND THE

_____ **METROPOLITAN DISTRICT**

THIS AGREEMENT is made and entered into as of this ___ day of _____, 200__, by and between the TOWN OF FREDERICK, a home rule municipal corporation of the State of Colorado (the "Town"), and the _____ METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District"). The Town and the District are collectively referred to as the Parties.

WITNESSETH:

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

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

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

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

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

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

1. **Operations and Maintenance.** The District shall dedicate the Public Improvements (as defined in the Service Plan) to the Town or other appropriate jurisdiction or owners association in a manner consistent with the final approved plat, other rules and regulations of the Town, and applicable provisions of the Town Code. The District shall not be authorized to operate and maintain any part or all of the Public Improvements, unless specifically provided for in this Agreement or separate agreement with the Town.

2. **Fire Protection.** The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless specifically provided for in this Agreement or separate agreement with the Town.

3. **Television Relay and Translation.** The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain television relay and translation facilities and services, other than for the installation of conduit as a part of a street construction project, unless specifically provided for in this Agreement or separate agreement with the Town.

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

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

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

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

early redemption provisions, is reasonable considering the financial circumstances of the District.

6. Inclusion. The District shall not include within its boundaries any property outside the Service Area (as defined in the Service Plan) or the Inclusion Area Boundary (as defined in the Service Plan) without the prior written consent of the Town Board.

7. Total Debt Issuance. The District shall not issue Debt in excess of \$ _____.

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

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

10. Service Plan Amendment Requirement. Any action of the District which violates the limitations set forth in Sections V.A.1-11 or VI.B-H of the Service Plan, or which constitutes a material modification under Frederick Municipal Code section 10.11.060, shall be deemed to be a material modification to the Service Plan and the Town shall be entitled to all remedies available under State and local law to enjoin any such action(s) of the District. The Town may also seek damages for breach of this Agreement arising from violations by the District of any provision of the Service Plan.

11. Annual Report. The District shall submit an annual report ("Annual Report") to the Town no later than September 1st of each year following the year in which the Order and Decree creating the District has been issued by the District Court for and in Douglas County, Colorado, pursuant to Frederick Municipal Code section 10.11.040 and containing the information set forth in Section VII of the Service Plan.

12. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law, including the Annual Report, shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via Federal Express or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District: _____ Metropolitan District
Address

Attn:

Phone:

Fax:

To the Town:

Town of Frederick

20120 E. Mainstreet

Frederick, CO 80138-7334

Attn: _____ Town Attorney

cc: _____, Finance Director

Phone: (303) 841-0353

Fax: (303) 840-9792

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

13. Miscellaneous.

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

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

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

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

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

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

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

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

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

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

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

L. Entirety. This Agreement merges and supersedes all prior negotiations, representations, and agreements between the parties hereto relating to the subject matter hereof and constitutes the entire Agreement between the Parties concerning the subject matter hereof.

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

TOWN OF FREDERICK, COLORADO

By: _____
Mayor

ATTEST:

, Town Clerk

APPROVED AS TO FORM:

Town Attorney

HINKLE FARMS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By: _____
President
Hinkle Farms Metropolitan District

ATTEST:

, Secretary