SERVICE PLAN
FOR

SHERIDAN STATION WEST METROPOLITAN DISTRICT

CITY OF LAKEWOOD, COLORADO

Prepared

by

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Initials: MB

TABLE OF CONTENTS

LIST OF EXHIBITS

I. INTRODUCTION

A. Purpose and Intent.

The Sheridan Station West Metropolitan District ("District") is an independent unit of local government, separate and distinct from the City of Lakewood ("City") and is governed by this Service Plan. Except as may otherwise be provided for by State or local law or this Service Plan, the District's activities are subject to review by the City only insofar as they may deviate in a material manner from the requirements of the 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, construct, acquire, own, operate and maintain the Public Improvements as further delineated and except as provided in this Service Plan and any Approved Development Plan.

B. Need for the District.

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

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

The City'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, operation and maintenance and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the District and other legally available revenues of the District. All Debt is expected to be repaid by taxes imposed and collected at a mill levy no higher than the Maximum Debt Mill Levy and/or Fees. Debt which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax and Fee burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt. The City shall, under no circumstances, be responsible for the Debt of the District, and the City's approval of this Service Plan shall in no way be interpreted as an agreement, whether tacit or otherwise, to be financially responsible for the Debt of the District or the construction of Public Improvements.

The primary purpose is to provide for the Public Improvements associated with the Project as necessary. Ongoing operation and maintenance of the Public Improvements are in the best interest of the City and existing and future taxpayers of the District, and shall be allowed to be undertaken by the District except as otherwise limited in an intergovernmental agreement with the City.

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 City for identifying, among other things, Public Improvements necessary for facilitating development of property within the Service Area as approved by the City pursuant to the City Code and as amended pursuant to the City 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, and/or collect Fee revenue.

City: means the City of Lakewood, Colorado.

City Code: means the Code of the City Lakewood and any regulations, rules, or policies promulgated thereunder, as the same may be amended from time to time.

City Council: means the City Council of the City of Lakewood, Colorado.

Developer: means (to be formed) West 10th Partners, a Colorado limited liability company.

District: means the Sheridan Station West Metropolitan District.

End User: means any owner, or tenant of any owner, of any taxable improvement within the District, who is intended to become burdened by the imposition of ad valorem property taxes subject to the Maximum Debt Mill Levy. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

External Financial Advisor: means a consultant that: (i) is qualified to advice 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; (ii) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place or in the City's sole discretion, other recognized publication as a provider of financial projections; and (iii) is not an officer or employee of the District.

Fees: means any fee imposed by the District for services, programs or facilities provided by the District, as described in Section V.G below.

Financial Plan: means the Financial Plan described in Section VI, and attached as **Exhibit E**, which describes (i) how the Public Improvements are to be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year. The Financial Plan is intended to represent an example of debt issuance and financing structure that may be used by the District.

Inclusion Area Boundaries: means the boundaries of the area legally described in **Exhibit A-2** and depicted on the Inclusion Area Boundary Map.

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

Initial District Boundaries: means the boundaries of the area legally described in **Exhibit A-1** and depicted on the Initial District Boundary Map.

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

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

Project: means the development or property commonly referred to as the Sheridan Station TOD.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in Section V.A below to serve the future taxpayers and inhabitants of the Service Area as determined by the Board.

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

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

Service Plan Amendment: means an amendment to the Service Plan approved by City Council in accordance with the City's ordinance or resolution and the applicable state law.

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

State: means the State of Colorado.

TABOR: refers to Article X of the Constitution of the State.

Taxable Property: means real or personal property within the Service Area subject to ad valorem taxes imposed by the District.

Total Debt Issuance Limit: means the maximum amount of general obligation Debt the District may issue, which amount shall be Seven Million Two Hundred Fifty Thousand Dollars ($7,250,000).

III. BOUNDARIES

The initial area to be included in the District's Boundaries is comprised of approximately 5 acres. An additional approximately 5.5 acres is identified as the Inclusion Area Boundaries, which property may be included by petition of the real property owner(s) in the future. Legal descriptions of the Initial District Boundaries and the Inclusion Area Boundaries are attached hereto as **Exhibit A-1** and **Exhibit A-2**, respectively. A vicinity map is attached hereto as **Exhibit B**. A map of the Initial District Boundaries is attached hereto as **Exhibit C-1**, and a map of the Inclusion Area Boundaries is attached hereto as **Exhibit C-2**. It is anticipated that the District's boundaries may change from time to time as it undergoes inclusions and exclusions pursuant to Section 32-1-401, *et seq*., C.R.S., and Section 32-1-501, *et seq*., C.R.S., subject to the limitations set forth in Article V below.

IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION

The Service Area consists of approximately 10.72 acres of residential land and open space/parks. The current assessed valuation of the Service Area is assumed to be $0.00 for purposes of this Service Plan and, at build out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan. Assuming full development within the entire Service Area, the population of the District at build-out is estimated to be approximately 1,015 people.

Approval of this Service Plan by the City 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 identified in this Service Plan or any of the exhibits attached thereto, unless the same is contained within the Approved Development Plan.

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES

The following paragraphs provide a description of the proposed services to be provided by the District.

A. Types of Improvements.

The District plans to provide for the design, acquisition, construction, installation and financing of certain water, sanitation, street, safety protection, park and recreation, transportation and mosquito control improvements and services within and without the Service Area. The Public Improvements will benefit all of the property within the District. A general description of each type of improvement and service to be provided by the District follows this paragraph, and **Exhibit D** lists the Public Improvements proposed to be provided for the property within the Service Area and estimated costs of such Public Improvements. The Public Improvements generally depicted and described on **Exhibit D** have been presented for illustration only. The exact design, subphasing of construction and location of the Public Improvements will be determined at the time of the submittal of the site development plan and, if approved by the City, such decisions shall not be considered to be a material modification of this Service Plan.

1. Sanitation. The District shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of a local sanitary sewage collection and transmission system which may include, but shall not be limited to, collection mains and laterals, lift stations, transmission lines, and/or storm sewer, flood and surface drainage facilities and systems, including detention/retention ponds and associated irrigation facilities, and all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said system within and without the District's Service Area. The District may provide for sanitary sewage collection and transmission through the purchase of capacity in existing collection mains and transmission lines.

Portions of the District's boundaries overlap the boundaries of East Lakewood Sanitation District. Prior to approval of the Service Plan, the District anticipates receiving consent of the Board of Directors of East Lakewood Sanitation District to the overlap of boundaries as between East Lakewood Sanitation District and the District. Upon organization, it is anticipated the District and East Lakewood Sanitation District will enter into an intergovernmental agreement to address East Lakewood Sanitation District's potential acceptance of sanitation improvements, including the construction of such improvements to East Lakewood Sanitation District's standards, inclusion of any additional property requiring service from East Lakewood Sanitation District, and compliance with any applicable rules and regulations of East Lakewood Sanitation District.

It is anticipated that, following completion the District. East Lakewood Sanitation District or another local government entity may own, operate and maintain certain sanitation improvements constructed by the District. It is anticipated that stormwater improvements will be owned and maintained by the City or the District.

2. Water. The District shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of a complete potable and nonpotable local water, transmission, and distribution system, which may include, but shall not be limited to, transmission lines, distribution mains and laterals, pressure reducing stations, irrigation facilities, storage facilities, water supply, water rights, land and easements, and all necessary, incidental, and appurtenant facilities, together with extensions of and improvements to said system within and without the Service Area.

It is anticipated that, following completion, the District or another local government entity will own, operate and maintain certain portions of the water system for the Project.

3. Streets. The District shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of street improvements, including curbs, gutters, culverts, and other drainage facilities, acceleration and deceleration lanes, sidewalks, bike paths and pedestrian ways, median islands, paving, lighting, parking lots,

grading, landscaping and irrigation, together with all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the Service Area. It is anticipated that, following acceptance by the City, the City will own and maintain the streets and street improvements within the District. However, to the extent the City or another entity does not own and maintain any of the streets, landscape, streetscape and drainage improvements within the District, such improvements may be owned by the District and operated and maintained by the District or an owner's association.

4. Safety Protection. The District shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of facilities and/or services for a system of traffic and safety controls and devices on streets and highways and at railroad crossings, including, but not limited to, signalization, signing and striping, together with all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the Service Area.

Following acceptance, all safety protection improvements will be transferred to the City and/or the Colorado Department of Transportation for ownership. However, to the extent the City or another entity does not own and maintain any of the safety protection improvements within the District, such improvements may be owned by the District and operated and maintained by the District or an owners association.

5. Park and Recreation. The District shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of parks and recreational facilities and programs, including, but not limited to, parks, bike paths and pedestrian ways, open space, landscaping, cultural activities, water bodies, irrigation facilities, and other active and passive recreational facilities and programs, and all necessary, incidental and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities within and without the Service Area.

Following acceptance, some of the park and recreation improvements will be owned, operated and maintained by the City. However, to the extent the City does not accept any such park and recreation improvements within the District, such improvements may be owned by the District and operated and maintained by the District or an owners association.

6. Transportation. The District shall have the power to provide for the design, acquisition, construction, financing, completion, and installation of a system to transport the public by bus, rail, or any other means of conveyance, or combination thereof, or pursuant to contract, including park and ride facilities and parking lots, structures and facilities; together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems within and without the Service Area. Following acceptance, any transportation improvements may be transferred to the City or other appropriate entity for ownership, operation and maintenance.

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

mosquito control within and without the District's boundaries. It is anticipated that mosquito control improvements will be maintained by an owner's association or the District.

8. Covenant Enforcement. In accordance with Section 32-1-1004(8), C.R.S., the District shall have the power to provide covenant enforcement and design review services within the Project if the District and the governing body of a master association or similar body contract for such services, or if the declaration, rules and regulations, or any similar document containing the covenants to be enforced for the area within the District name the District as the enforcement or design review entity. The District shall have the power to provide covenant enforcement and design review services only if revenues used to provide such services are derived from the area in which the service is furnished.

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

A. Plan Modifications. To modify the Service Plan as needed, subject to the statutory procedures set forth in Section 32-1-207, C.R.S.

B. Phasing, Deferral. Without modifying this Service Plan, to defer, forego, reschedule, or restructure the financing and construction of Public Improvements, to better accommodate the pace of growth, resource availability, and potential inclusions of property within the District.

C. Additional Services. Except as specifically provided herein, to provide such additional services and exercise such powers as are expressly or impliedly granted to special districts by Colorado law.

10. Standards of Construction/Statement of Compatibility.

The sanitary sewer treatment and/or collection facilities will be designed, constructed and maintained in accordance with the standards of the Colorado Department of Public Health and Environment, the City and other applicable local, state or federal rules and regulations, including, but not limited to, the Rules and Regulations of the East Lakewood Sanitation District.

The District's water system will be constructed and maintained in accordance with the standards of the City, the Colorado Department of Public Health and Environment or other jurisdictions, as appropriate.

All streets and safety protection facilities to be dedicated to the City will be constructed in accordance with the standards and specifications of the City.

All storm sewers and facilities will be constructed in accordance with the standards and specifications of the City, the Urban Drainage and Flood Control District and other local jurisdictions, as appropriate.

All parks and recreational facilities and/or services will be constructed in accordance with engineering and design requirements appropriate for the surrounding terrain, and shall be compatible with standards of the City or other local public entities, as appropriate.

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

All mosquito control activities and/or programs will be provided in accordance with the standards and specifications of the Colorado Department of Public Health and Environment, the City and other applicable local, state and federal regulations.

B. Development Standards. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City, including the City Code and Approved Development Plan, and of other governmental entities including, as applicable, East Lakewood Sanitation District having proper jurisdiction, as applicable. The District, directly or indirectly through the Developer, will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

C. 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 [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.

D. 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 City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This Section shall not apply to specific ownership taxes which shall be distributed to and be a revenue source for the District without any limitation.

E. 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 City.

F. Inclusion Limitation. The District shall have the authority to include within its boundaries any property within the Service Area without the prior written consent of the City. The District shall not include within any its boundaries any property outside the Service Area without the prior written consent of the City except upon petition of the fee owner or owners of one hundred percent (100%) of such property as provided in Section 32-1-401(1)(a), C.R.S. To the extent any property proposed to be included within the boundaries of the District will overlap with East Lakewood Sanitation District, the District will seek the prior approval of East Lakewood Sanitation District for such overlap.

G. Fee Limitation. The District may impose and collect Fees as a source of revenue for repayment of debt, capital costs, and/or for operations and maintenance. No Fee related to repayment of debt shall be authorized to be imposed upon or collected from Taxable Property owned or occupied by an End User subsequent to the issuance of a Certificate of Occupancy for said Taxable Property. Notwithstanding any of the foregoing, the restrictions in this definition shall not apply to any Fee imposed upon or collected from Taxable Property for the purpose of funding operation and maintenance costs of the District.

H. Service Plan Amendment Requirement. This 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 that constitute the Public Improvements, and changes in proposed configurations, locations or dimensions of the Public Improvements shall be permitted to accommodate development needs consistent with any Approved Development Plan for the Project, provided the City has expressly consented to such modification or change as a change to the scope of the Public Improvements. The District shall be an independent unit of local government, separate and distinct from the City, and its activities are subject to review by the City only insofar as they may deviate in a material manner from the requirements of the Service Plan. Any action of the District which violates the limitations set forth in this Service Plan shall be deemed to be a material modification unless otherwise agreed by the City or otherwise expressly provided herein. Any determination by the City that a departure is not a material modification shall be conclusive and final and shall bind all residents, property owners and others affected by such departure.

To the extent permitted by law, the District may seek formal approval from the City of modifications to this Service Plan which are not material, but for which the District may desire a written acknowledgement and approval by the City. Such approval may be evidenced by any instrument executed by the City's manager, City's attorney, or other specially designated representative of the City Council as to the matters set forth therein and shall be conclusive and final.

I. Total Debt Issuance Limitation.

The District shall not issue Debt in excess of the Total Debt Issuance Limit; provided, however, any refunding Debt shall not count against the Total Debt Issuance Limit. Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt 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 City as part of a Service Plan Amendment.

J. Preliminary Development Plan.

The District shall have the 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, as the same are more specially defined in the Approved Development Plan. The Public Improvements will be designed in such a way as to ensure that the Public Improvements standards will be consistent with or exceed the standards of the City 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 engineer development plans, economics, the City's requirements, and construction scheduling may require.

VI. FINANCIAL PLAN

A. General.

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay from revenues derived from the Maximum Debt Mill Levy, Fees and other legally available revenues. The total Debt that the District shall be permitted to issue shall not exceed the Total Debt Issuance Limit and 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 of the District (and associated specific ownership tax revenues) and Fees. 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 to receive revenue from privately imposed public improvement fees, if applicable.

Prior to the issuance of Debt, it is anticipated that the Developer may advance funds to the District to pay the organizational costs of the District and costs for constructing and installing Public Improvements. The District shall be authorized to reimburse such Developer advances with interest from Debt proceeds or other legally available revenues.

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. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed eighteen percent (18%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Service Plan, State law and Federal law as then applicable to the issuance of public securities.

C. Maximum Debt Mill Levy.

The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the Taxable Property of the District for payment of Debt, and shall be determined as follows:

1. For the portion of any aggregate District's Debt which exceeds fifty percent (50%) of the District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy Debt described in Section VI.C.2 below; provided that if, on or after January 1, 2017, 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 reflect 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, 2017, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

2. For the portion of any aggregate District's Debt which is equal to or less than fifty percent (50%) of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the debt service on such Debt, without limitation of rate.

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

To the extent that the District is composed of or subsequently organized into one or more subdistricts as permitted under Section 32-1-1101, C.R.S., the term "District" as used herein shall be deemed to refer to the District and to each such subdistrict separately, so that each of the subdistricts shall be treated as a separate, independent district for purposes of the application of this definition.

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. The District may also rely upon various other revenue sources authorized by law. At the District's discretion, these may 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 Section G. In no event shall the debt service mill levy in the District exceed the Maximum Debt Mill Levy, except as provided herein.

E. Security for Debt.

The District shall not have the authority and shall not pledge any revenue or property of the City as security for the indebtedness set forth in this Service Plan. Approval of this Service Plan shall not be construed as a guarantee by the City 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 City in the event of default by the District in the payment of any such obligation.

F. TABOR Compliance.

The District will comply with the provisions of TABOR. In the discretion of the Board, the District may set up other qualifying entities to manage, fund, construct and operate facilities, services, and programs. To the extent allowed by law, any entity created by the District will remain under the control of the District's Board.

G. District's Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, are anticipated to be approximately Fifty Thousand Dollars ($50,000), which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed and maintained. The first year's operating budget is estimated to be Twenty Thousand Dollars ($20,000) which is anticipated to be derived from property taxes and other revenues.

The Maximum Debt Mill Levy for the repayment of Debt shall not apply to the District's ability to increase its mill levy as necessary for provision of operation and maintenance services to its taxpayers and service users. It is anticipated that the Developer will advance funds to the District to pay its operating costs until such time as the District has sufficient revenue from its operation and maintenance mill levy. The District shall be authorized to reimburse the Developer for such advances with interest.

H. 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 for creation 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.

VII. ANNUAL REPORT

A. General.

The District shall be responsible for submitting an annual report to the City Clerk no later than September 1 of each year for the year ending the preceding December 31. The City may, in its sole discretion, waive this requirement in whole or in part.

B. Reporting of Significant Events.

Unless waived by the City, 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 the development of Public Improvements in 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 indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the report year, the amount of payment or retirement of existing indebtedness of the District in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year and the current mill levy of the District pledged to debt retirement in the report year; and

5. Any other information deemed relevant by the City Council or deemed reasonably necessary by the City's manager.

VIII. DISSOLUTION

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

Dissolution shall be specifically conditioned upon the City's approval of conveyance of any District owned facilities to entities other than the City.

IX. DISCLOSURE TO PURCHASERS

The District will use reasonable efforts to assure that all developers of the property located within the District provide written notice to all purchasers of property in the District regarding the District's structure and purposes, the Maximum Debt Mill Levy, as well as a general description of the District's authority to impose and collect rates, fees, tolls, charges and other amounts. The District will cause to be recorded with the Jefferson County Clerk and Recorder's Office a one to two page summary of such written notice, substantially in the form attached hereto as Exhibit F, which recorded document will provide a website address where specific contact information will be provided where further information can be found.

X. PROPOSED INTERGOVERNMENTAL AGREEMENTS AND EXTRATERRITORIAL SERVICE AGREEMENTS

All intergovernmental agreements must be for the purposes, facilities, services or agreements lawfully authorized to be provided by the District, pursuant to the State Constitution, Article XIV, Section 18(2)(a) and Sections 29-1-201, *et seq.*, C.R.S. To the extent practicable, the District may enter into additional intergovernmental and private agreements to better ensure long-term provisions of the Public Improvements or for other lawful purposes of the District as necessary to carry out the Approved Development Plan. Agreements may also be executed with property owner associations and other service providers.

Execution of intergovernmental agreements or agreements for extraterritorial services by the District that are not described in this Service Plan will require the prior approval of City Council.

XI. CONCLUSION

It is submitted that this Service Plan for the District, as required by Section 32-1-203(2), C.R.S., 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 has, or 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 City 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 City within which the special district is to be located and each municipality which is an interested party under Section 32-1-204(1), C.R.S.

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

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

<u>EXHIBIT A-1</u>

Initial District Boundary Legal Description

EXHIBIT A-1
INITIAL DISTRICT BOUNDARY LEGAL DESCRIPTION

BEING A PORTION OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF THE NORTHEAST 1/4 OF SECTION 1, TOWNSHIP 4 SOUTH, RANGE 69 WEST, 6TH P.M. CITY OF LAKEWOOD, COUNTY OF JEFFERSON, STATE OF COLORADO. MORE PARTICULARLY DESCRIBE AS FOLLOWS:

BEARINGS ARE BASED ON THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 1, BEING MONUMENTED ON THE EAST 1/4 CORNER BY AN ILLEGIBLE 3-1/4" BRASS CAP IN RANGE BOX AND MONUMENTED ON THE CENTER 1/4 CORNER BY AN ILLEGIBLE 3-1/4" BRASS CAP IN RANGE BOX. SAID LINE BEARS SOUTH 89°47'38" WEST WITH A DISTANCE OF 2648.68 FEET.

COMMENCING AT SAID EAST 1/4 CORNER;
THENCE ALONG THE SOUTH LINE OF SAID NORTHEAST 1/4, SOUTH 89°47'38" WEST A DISTANCE OF 1138.64 FEET;
THENCE DEPARTING SAID SOUTH LINE NORTH 00°19'28" EAST WITH A DISTANCE OF 25 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF WEST 10TH AVENUE AND POINT OF BEGINNING;
THENCE ALONG A LINE BEING PARALLEL TO AND 25.00 FEET NORTH OF SAID SOUTH LINE OF THE NORTHEAST 1/4 SOUTH 89°47'38" WEST 372.70 FEET MORE OR LESS TO THE SOUTHWEST CORNER OF LOT 2 BLOCK 1 OF GREENSPIRE ESTATES SUBDIVISION;
THENCE DEPARTING SAID RIGHT-OF-WAY LINE NORTH 00°18'03" EAST A DISTANCE OF 165.00 FEET TO THE NORTHWEST CORNER OF SAID LOT 2;
THENCE SOUTH 89°47'38" WEST 144.08 FEET TO THE NORTHWEST CORNER OF LOT 4 BLOCK 1 OF GREENSPIRE ESTATES SUBDIVISION;
THENCE NORTH 00°18'03" EAST 305.45 FEET TO THE NORTHWEST CORNER OF LOT 1 BLOCK 1 OF GREENSPIRE ESTATES SUBDIVISION. SAID POINT BEING 165.00 FEET SOUTH OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF THE NORTHEAST 1/4;
THENCE ALONG A LINE BEING 165.00 FEET SOUTH OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF THE NORTHEAST 1/4, NORTH 89°47'38" EAST 516.97 FEET;
THENCE SOUTH 00°19'28" WEST 470.46 FEET TO THE POINT OF BEGINNING.

CONTAINING A CALCULATED AREA OF 219,384 SQUARE FEET OR 5.036 ACRES.

EXHIBIT A-2

Inclusion Area Boundary Legal Description

EXHIBIT A-2

INCLUSION AREA BOUNDARY LEGAL DESCRIPTION

BEING A PORTION OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF THE NORTHEAST 1/4 OF SECTION 1, TOWNSHIP 4 SOUTH, RANGE 69 WEST, 6TH P.M. CITY OF LAKEWOOD, COUNTY OF JEFFERSON, STATE OF COLORADO. MORE PARTICULARLY DESCRIBE AS FOLLOWS:

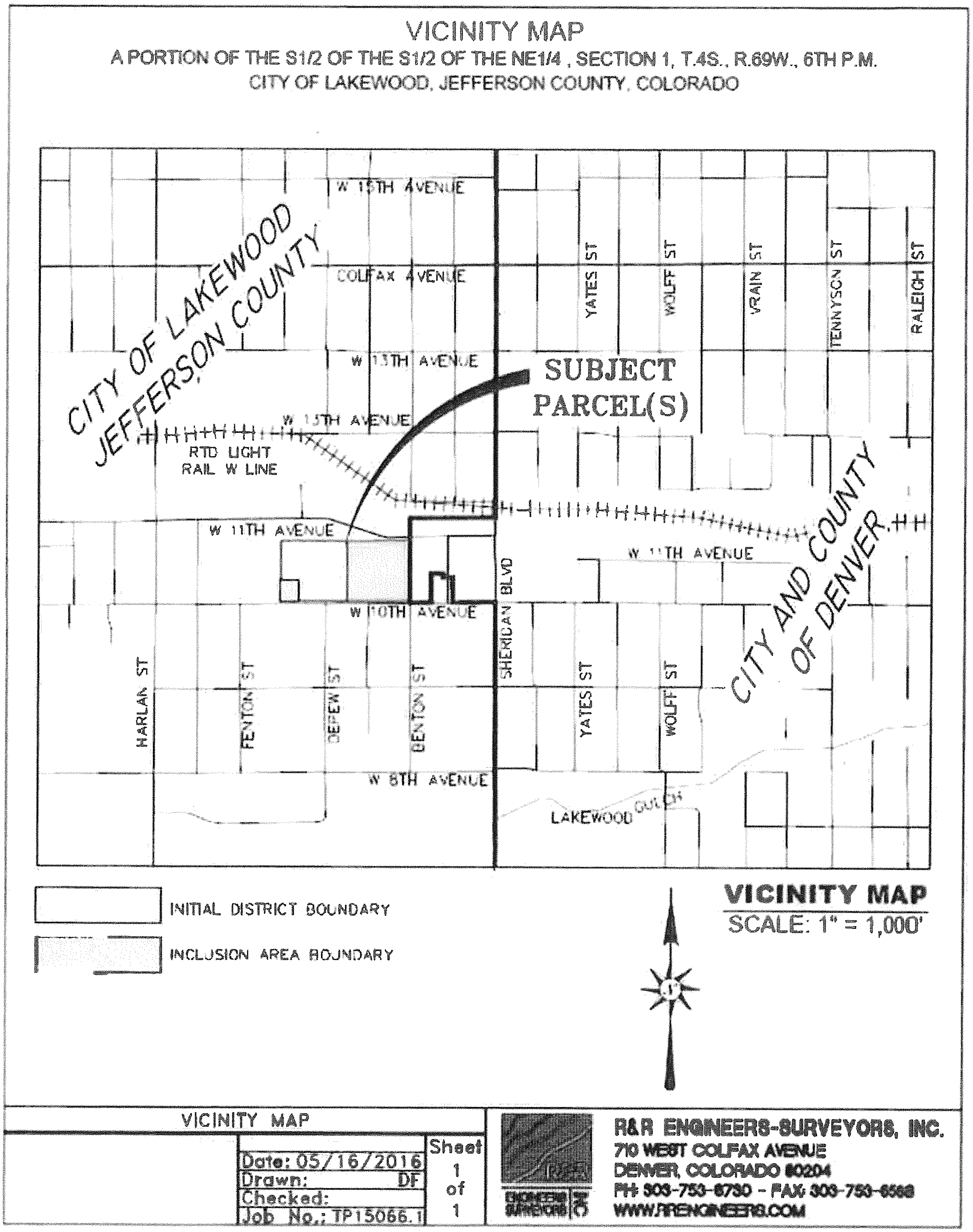
BEARINGS ARE BASED ON THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 1, BEING MONUMENTED ON THE EAST 1/4 CORNER BY AN ILLEGIBLE 3-1/4" BRASS CAP IN RANGE BOX AND MONUMENTED ON THE CENTER 1/4 CORNER BY AN ILLEGIBLE 3-1/4" BRASS CAP IN RANGE BOX. SAID LINE BEARS SOUTH 89°47'38" WEST WITH A DISTANCE OF 2648.68 FEET.

COMMENCING AT SAID EAST 1/4 CORNER;
THENCE ALONG THE SOUTH LINE OF SAID NORTHEAST 1/4, SOUTH 89°47'38" WEST A DISTANCE OF 662.17 FEET;
THENCE DEPARTING SAID SOUTH LINE NORTH 00°16'54" EAST WITH A DISTANCE OF 25 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF WEST 10TH AVENUE AND POINT OF BEGINNING;
THENCE ALONG A LINE BEING PARALLEL TO AND 25.00 FEET NORTH OF SAID SOUTH LINE OF THE NORTHEAST 1/4 SOUTH 89°47'38" WEST 993.23 FEET MORE OR LESS TO THE SOUTHWEST CORNER OF LOT 4 BLOCK 1 OF GREENSPIRE ESTATES SUBDIVISION;
THENCE NORTH 00°18'03" EAST 470.45 FEET TO THE NORTHWEST CORNER OF LOT 1 BLOCK 1 OF GREENSPIRE ESTATES SUBDIVISION. SAID POINT BEING 165.00 FEET SOUTH OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF THE NORTHEAST 1/4;
THENCE ALONG A LINE BEING 165.00 FEET SOUTH OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF THE NORTHEAST 1/4, NORTH 89°47'38" EAST 993.07 FEET;
THENCE SOUTH 00°16'54" WEST 470.45 FEET TO THE POINT OF BEGINNING.

CONTAINING A CALCULATED AREA OF 467,213 SQUARE FEET OR 10.725 ACRES.

EXHIBIT B

Vicinity Map



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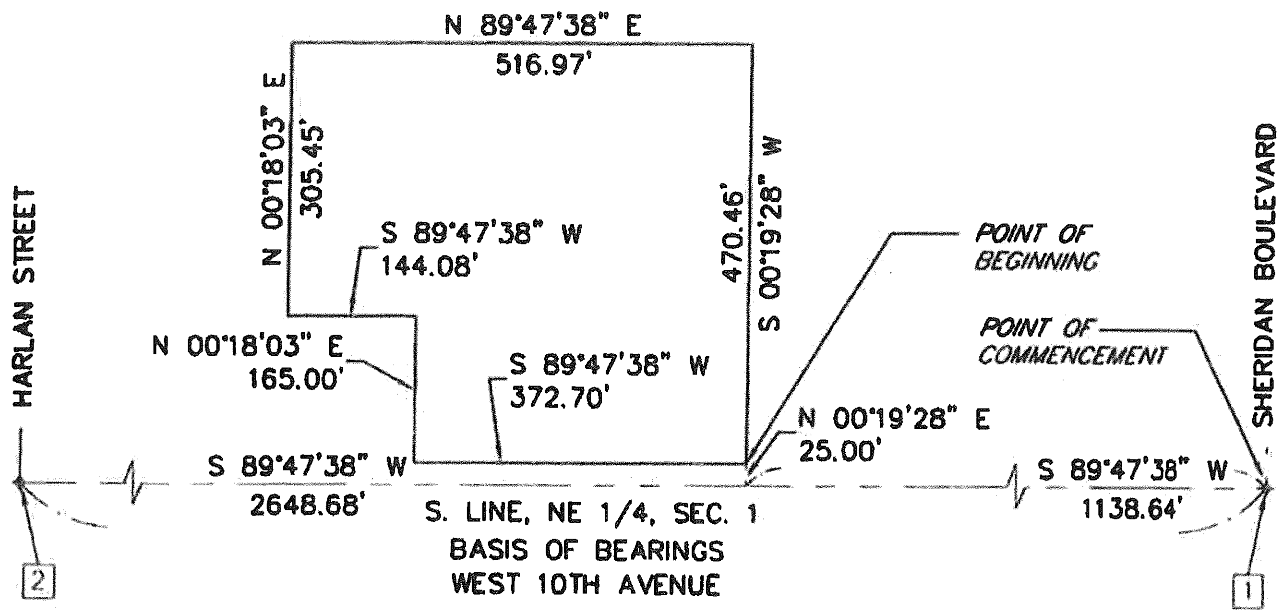
<u>EXHIBIT C-1</u>

Initial District Boundary Map

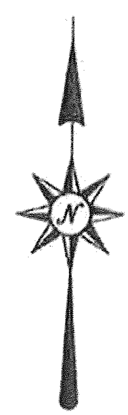
EXHIBIT C-1
INITIAL DISTRICT BOUNDARY MAP

A PORTION OF THE S1/2 OF THE S1/2 OF THE NE1/4 , SECTION 1, T.4S., R.69W., 6TH P.M.
CITY OF LAKEWOOD, JEFFERSON COUNTY, COLORADO



[1] E 1/4 COR., SEC. 1, T.4S., R.68W., 6TH P.M.
FOUND 3 1/4" BRASS CAP IN RANGE BOX (ILLEGIBLE)

[2] S 1/4 COR., SEC. 1, T.4S., R.68W., 6TH P.M.
FOUND 3 1/4" BRASS CAP IN RANGE BOX (ILLEGIBLE)



NOTE
THIS DRAWING IS MEANT TO DEPICT THE ATTACHED LEGAL DESCRIPTION AND IS FOR INFORMATIONAL PURPOSES ONLY IT DOES NOT REPRESENT A MONUMENTED LAND SURVEY.

SCALE: 1"=200'

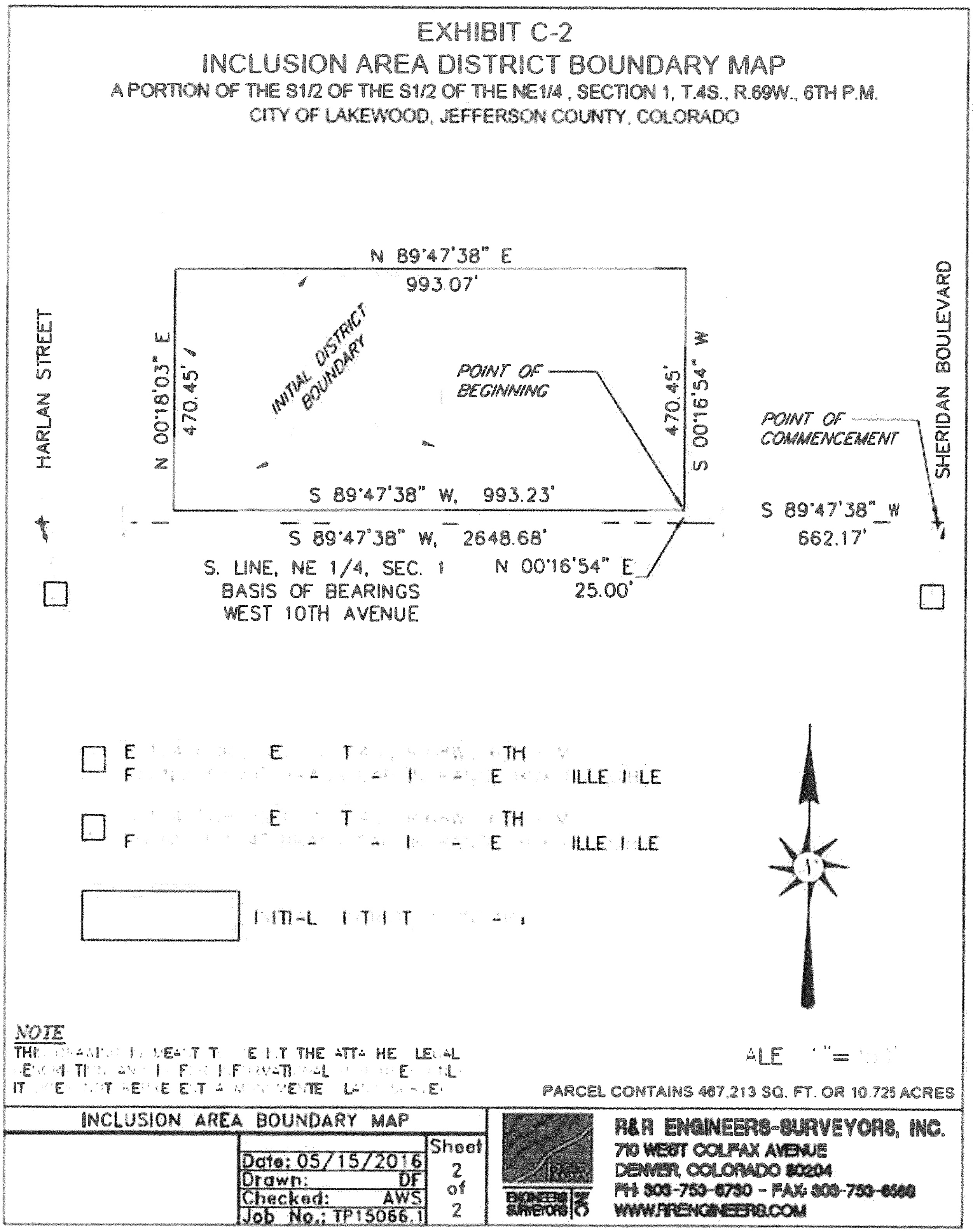
PARCEL CONTAINS 219,384 SQ. FT. OR 5.036 ACRES

INITIAL DISTRICT BOUNDARY MAP		
Date: 05/15/2016	Sheet	
Drawn: DF	2	
Checked: AWS	of	
Job No.: TP15066.1	2	

R&R ENGINEERS-SURVEYORS, INC.
710 WEST COLFAX AVENUE
DENVER, COLORADO 80204
PH: 303-753-6730 - FAX: 303-753-6568
WWW.RRENGINEERS.COM

EXHIBIT C-2

Inclusion Area Boundary Map



<u>**EXHIBIT D**</u>

Cost Estimate of Public Improvements

[*See following pages*]

Date: June 24, 2016

EXHIBIT D
COST ESTIMATE OF PUBLIC IMPROVEMENTS
INITIAL DISTRICT BOUNDARIES

710 West Colfax Avenue
Denver, Colorado 80204
PHONE: 303-753-6730
Engineers Opinion

Item	Description	Total Work Units		Unit Price ($)			Total Cost ($)	
Civil Engineering - Design Fee	$115,000						Engineering Subtotal	$ 115,000
Geo Tech Testing	$35,000						Geo Tech Subtotal	$ 35,000
Sanitary Sewer								
8" PVC	incl. excavation, backfill	2,277	LF	$ 40	LF	$	$ 91,080	
Manhole	4' Diameter	17	EA	$ 5,000	EA	$	$ 85,000	
Tap Fee		136	EA	$ 6,060	EA	$	$ 824,160	
							Sanitary Sewer Subtotal	$1,000,240
Water Main & Tap								
Fire Hydrant Assembly		6	EA	$ 5,000	EA	$	$ 30,000	
3/4" Copper Service	incl. excavation, backfill	136	EA	$ 500	EA	$	$ 68,000	
8" PVC	incl. excavation, backfill	2,116	LF	$ 50	LF	$	$ 105,800	
3/4" Tap		136	EA	$ 21,500	EA	$	$ 2,924,000	
1 1/2" Irrigation Tap		1	EA	$ 65,000	EA	$	$ 65,000	
							Water Main & Tap Subtotal	$3,192,800
Storm Sewer								
Ponds		0	EA	$ 95,000	EA	$	0	
Outfall Structure		0	EA	$ 20,000	EA	$	0	
18" RCP	incl. excavation, backfill	578	LF	$ 55	LF	$	31,790	
24" RCP	incl. excavation, backfill	334	LF	$ 75	LF	$	25,050	
36" RCP	incl. excavation, backfill	160	LF	$ 110	LF	$	17,600	
48" RCP	incl. excavation, backfill	0	LF	$ 155	LF	$	0	
54" RCP	incl. excavation, backfill	0	LF	$ 185	LF	$	0	
60" RCP	incl. excavation, backfill	0	LF	$ 250	LF	$	0	
Inlet	Type R	12	EA	$ 5,000	EA	$	60,000	
Manhole	5' Diameter	9	EA	$ 5,000	EA	$	45,000	
Manhole	6' Diameter	0	EA	$ 7,500	EA	$	0	
Manhole	Box Base-CDOT Std M-604-20	0	EA	$ 8,500	EA	$	0	
Flared end	Unit cost	1	EA	$ 2,500	EA	$	2,500	
Riprap	Pond Outfall	15	CY	$ 50	CY	$	750	
							Storm Sewer Subtotal	$ 182,690
Underground Detention	varies by phase	4	EA	$			Detention Subtotal	$ 236,263
Erosion Control							Erosion Subtotal	$ 28,490
Over Excavation								
Import Fill		0	CY	$ 15	CY	$	$ -	
Export Earthwork		1,000	CY	$ 20	CY	$	$ 20,000	
Move & Place onsite	incl. compaction	35,770	CY	$ 7	CY	$	$ 250,390	
							Over Excavation Subtotal	$ 270,390
Paving								
Asphalt		71,551	SF	$ 4	SF	$	$ 286,204	
Concrete Alley		31,930	SF	$ 8	SF	$	$ 255,440	
ADA Ramp	Including warning Pads	17	EA	$ 1,500	EA	$	$ 25,500	
							Paving Subtotal	$ 567,144
Curb/Gutter/Sidewalks								
Concrete	5' wide sidewalk	11,046	SF	$ 4	SF	$	$ 44,184	
6-inch Curb & Gutter		5,134	LF	$ 17	LF	$	$ 87,278	
							Curb/Gutter/Sidewalks Subtotal	$ 131,462

Date: June 24, 2016

EXHIBIT D

COST ESTIMATE OF PUBLIC IMPROVEMENTS

INITIAL DISTRICT BOUNDARIES

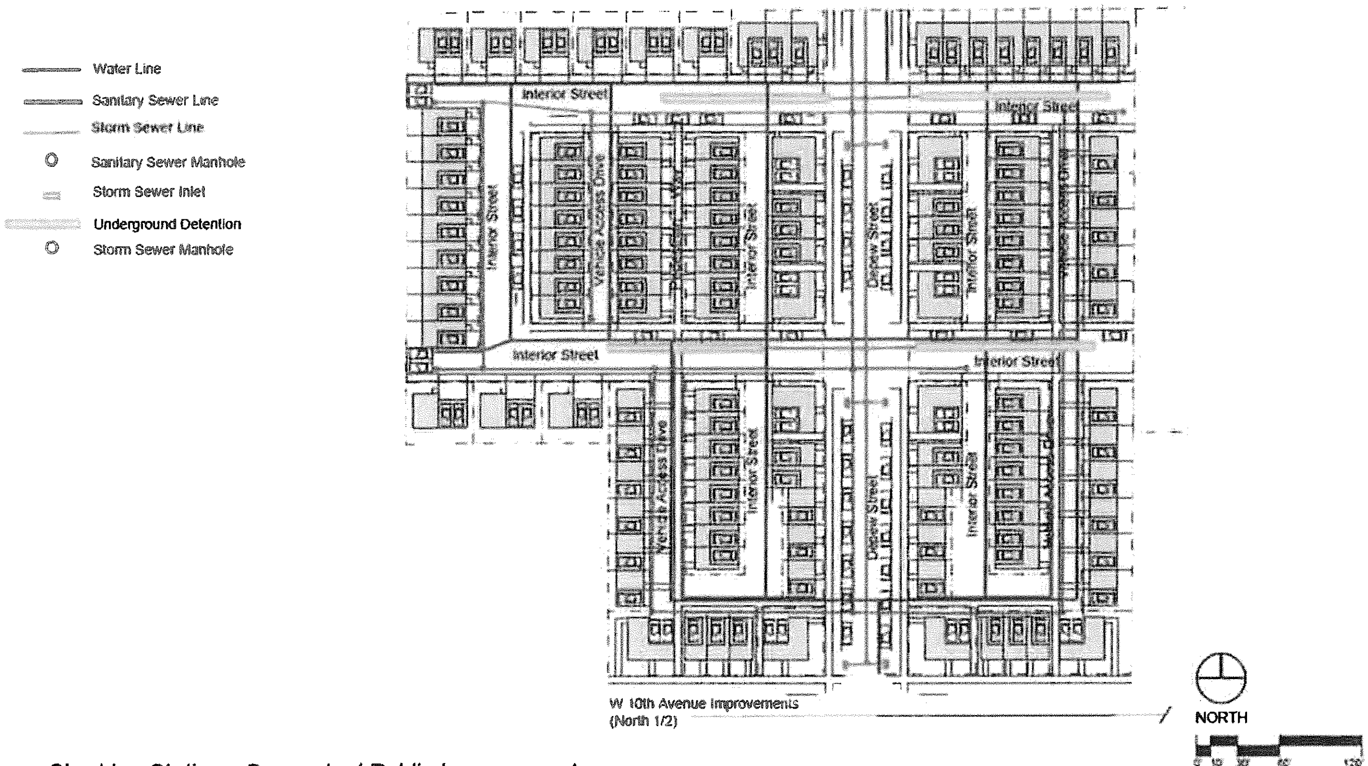
710 West Colfax Avenue
Denver, Colorado 80204
PHONE: 303-753-6730

Engineers Opinion

Item	Description	Total Work Units		Unit Price ($)		Total Cost ($)	
Signage/Lighting							
Street Lights		9	EA	$ 12,000	EA	$ $ 108,000	
Street Sign		14	EA	$ 500	EA	$ 7,000	
						Signage/Lighting Subtotal	$ 115,000
Construction Staking			LS			Construction Staking Subtotal	$ 60,000
Landscape							
Landscape	Street Tree Lawn/ Ped Way	25,092	SF	$ 5	SF	$ $ 125,460	
	Irrigation	25,092	SF	$ 2	SF	$ $ 37,638	
						Landscape Subtotal	$ 163,098
Miscellaneous Construction Costs							
Fees & Permits		2.5%		$ 6,097,537			$ 152,438
Mobilization		5%		$ 6,097,537			$ 304,877
Traffic Control		0.5%		$ 6,097,537			$ 30,488
Utility Investigation	pot hole	0.5%		$ 6,097,537			$ 30,488
Construction & Development Fee		10%		$ 6,097,537		C&D Fee Subtotal	$ 609,754
Design and Construction Contingency		10%		$ 6,097,537			$ 609,754
TOTAL 2016						TOTAL	$7,835,335
ESCALATION (2017/2018)		10%		$ 7,835,335			$ 783,534
TOTAL 2017						TOTAL	$8,618,869

Notes and Assumptions:

1. Estimate of Improvements are for Initial District Boundary
2. Estimate based on Pre-Application site plan submitted to City on 5/26/16
3. Includes W. 10th Avenue Roadway improvments from centerline north including curb, gutter, detached sidewalk and tree lawn
5. Geotech estimate does not include monitoring during construction
6. Paving includes asphalt, concrete alleys, and ADA ramps
7. Presented for illustration only



Sheridan Station - Conceptual Public Improvements

EXHIBIT E

Financial Plan

SHERIDAN STATION METROPOLITAN DISTRICT

D A DAVIDSON

Development Projection (+ Future Inclusion Area) at 40.00 (target) Mills for Debt Service

Series 2018, General Obligation Bonds, Non-Rated, 100x @ target, 30-yr. Maturity

	< < < < < < < < Residential > > > > > > > >				< Platted/Developed Lots >						
YEAR	Total Res'l Units	Mkt Value Biennial Reasses'mt @ 2.0%	Cumulative Market Value	As'ed Value @ 7.96% of Market (2-yr lag)	Cumulative Market Value	As'ed Value @ 29.00% of Market (2-yr lag)	Total Collected Assessed Value	D/S Mill Levy [40.00 target] [50.00 target]	Total Collections @ 98.0%	S.O. Taxes Collected @ 6%	Total Available Revenue
2015	0		0		0		$0		$0	$0	0
2016	0		0		1,713,225		0	40.000	0	0	0
2017	47		17,132,250	0	3,480,725	0	0	40.000	0	0	0
2018	148	342,645	52,978,290	0	3,463,225	496,835	496,835	40.000	19,476	1,169	20,644
2019	147		89,009,683	1,363,727	1,713,225	1,009,410	2,373,137	40.000	93,027	5,582	98,609
2020	47	1,780,194	108,970,757	4,217,072	624,075	1,004,335	5,221,407	40.000	204,679	12,281	216,960
2021	17		115,725,946	7,085,171	0	496,835	7,582,006	40.000	297,215	17,833	315,048
2022	0	2,314,519	118,040,465	8,674,072	0	180,982	8,855,054	40.000	347,118	20,827	367,945
2023	0		118,040,465	9,211,785	0	0	9,211,785	40.000	361,102	21,666	382,768
2024	0	2,360,809	120,401,274	9,396,021	0	0	9,396,021	40.000	368,324	22,099	390,423
2025	0		120,401,274	9,396,021	0	0	9,396,021	40.000	368,324	22,099	390,423
2026	0	2,408,025	122,809,300	9,583,941	0	0	9,583,941	40.000	375,691	22,541	398,232
2027	0		122,809,300	9,583,941	0	0	9,583,941	40.000	375,691	22,541	398,232
2028		2,456,186	125,265,486	9,775,620		0	9,775,620	40.000	383,204	22,992	406,197
2029			125,265,486	9,775,620		0	9,775,620	40.000	383,204	22,992	406,197
2030		2,505,310	127,770,795	9,971,133		0	9,971,133	40.000	390,868	23,452	414,321
2031			127,770,795	9,971,133		0	9,971,133	40.000	390,868	23,452	414,321
2032		2,555,416	130,326,211	10,170,555		0	10,170,555	40.000	398,686	23,921	422,607
2033			130,326,211	10,170,555		0	10,170,555	40.000	398,686	23,921	422,607
2034		2,606,524	132,932,735	10,373,966		0	10,373,966	40.000	406,659	24,400	431,059
2035			132,932,735	10,373,966		0	10,373,966	40.000	406,659	24,400	431,059
2036		2,658,655	135,591,390	10,581,446		0	10,581,446	40.000	414,793	24,888	439,680
2037			135,591,390	10,581,446		0	10,581,446	40.000	414,793	24,888	439,680
2038		2,711,828	138,303,218	10,793,075		0	10,793,075	40.000	423,089	25,385	448,474
2039			138,303,218	10,793,075		0	10,793,075	40.000	423,089	25,385	448,474
2040		2,766,064	141,069,282	11,008,936		0	11,008,936	40.000	431,550	25,893	457,443
2041			141,069,282	11,008,936		0	11,008,936	40.000	431,550	25,893	457,443
2042		2,821,386	143,890,668	11,229,115		0	11,229,115	40.000	440,181	26,411	466,592
2043			143,890,668	11,229,115		0	11,229,115	40.000	440,181	26,411	466,592
2044		2,877,813	146,768,481	11,453,697		0	11,453,697	40.000	448,985	26,939	475,924
2045			146,768,481	11,453,697		0	11,453,697	40.000	448,985	26,939	475,924
2046		2,935,370	149,703,851	11,682,771		0	11,682,771	40.000	457,965	27,478	485,443
2047			149,703,851	11,682,771		0	11,682,771	40.000	457,965	27,478	485,443
2048		2,994,077	152,697,928	11,916,427		0	11,916,427	40.000	467,124	28,027	495,151
	406	39,094,821							11,669,730	700,184	12,369,914

D A DAVIDSON

SHERIDAN STATION METROPOLITAN DISTRICT

Development Projection (+ Future Inclusion Area) at 40.00 (target) Mills for Debt Service

Series 2018, General Obligation Bonds, Non-Rated, 100x @ target, 30-yr. Maturity

YEAR	Net Available for Debt Svc	Ser. 2018 $5,270,000 Par [Net $5,069 MM] Net Debt Service	Annual Surplus	Surplus Release @ 50% D/A to $527,000	Cumulative Surplus $527,000 Target	Senior Debt/ Assessed Ratio	Senior Debt/ Act'l Value Ratio	Net D/S Coverage @ Target	Net D/S Coverage @ Cap
2015	0								
2016	0		0		0	n/a	30%	n/a	n/a
2017	0		0		0	1262%	11%	n/a	n/a
2018	20,644	$0	20,644		20,644	264%	7%	n/a	n/a
2019	98,609	0	98,609	0	119,253	120%	6%	n/a	n/a
2020	216,960	156,268	60,692	0	179,945	83%	5%	139%	174%
2021	315,048	312,536	2,512	0	182,457	71%	5%	101%	126%
2022	367,945	367,536	410	0	182,867	67%	5%	100%	125%
2023	382,768	379,786	2,983	0	185,850	65%	5%	101%	126%
2024	390,423	386,286	4,138	0	189,988	65%	5%	101%	126%
2025	390,423	387,286	3,138	0	193,126	62%	5%	101%	126%
2026	398,232	398,036	196	0	193,322	61%	5%	100%	125%
2027	398,232	393,036	5,196	0	198,518	59%	5%	101%	127%
2028	406,197	403,036	3,161	0	201,679	58%	5%	101%	126%
2029	406,197	402,286	3,911	0	205,591	56%	4%	101%	126%
2030	414,321	411,286	3,035	0	208,626	54%	4%	101%	126%
2031	414,321	409,536	4,785	0	213,411	52%	4%	101%	126%
2032	422,607	422,536	71	0	213,482	50%	4%	100%	125%
2033	422,607	419,536	3,071	0	216,553	48%	4%	101%	126%
2034	431,059	426,286	4,774	0	221,327	46%	4%	101%	126%
2035	431,059	427,286	3,774	0	225,100	43%	3%	101%	126%
2036	439,680	437,786	1,895	0	226,995	41%	3%	100%	126%
2037	439,680	437,286	2,395	0	229,390	38%	3%	101%	126%
2038	448,474	446,286	2,188	0	231,578	36%	3%	100%	126%
2039	448,474	444,286	4,188	0	235,767	33%	3%	101%	126%
2040	457,443	456,786	658	0	236,424	31%	2%	100%	125%
2041	457,443	453,036	4,408	0	240,832	28%	2%	101%	126%
2042	466,592	463,786	2,807	0	243,639	25%	2%	101%	126%
2043	466,592	463,286	3,307	0	246,946	21%	2%	101%	126%
2044	475,924	472,036	3,889	0	250,834	18%	1%	101%	126%
2045	475,924	474,536	1,389	0	252,223	15%	1%	100%	125%
2046	485,443	481,036	4,407	0	256,630	12%	1%	101%	126%
2047	485,443	481,286	4,157	0	260,787	8%	1%	101%	126%
2048	495,151	493,286	1,866	262,653	0	0%	0%	100%	125%
	12,369,914	12,107,262	262,653	262,653					

[DJun1416 16nrD2]

SHERIDAN STATION METROPOLITAN DISTRICT

D.A DAVIDSON

Operations Revenue and Expense Projection

YEAR	Total Assessed Value	Oper'ns Mill Levy	Total Collections @ 98%	S.O. Taxes Collected @ 6%	Total Available For O&M	Total Mills
2015						
2016	0	20.000	0	0	0	60.000
2017	0	20.000	0	0	0	60.000
2018	496,835	20.000	9,738	584	10,322	60.000
2019	2,373,137	20.000	46,513	2,791	49,304	60.000
2020	5,221,407	20.000	102,340	6,140	108,480	60.000
2021	7,582,006	20.000	148,607	8,916	157,524	60.000
2022	8,855,054	20.000	173,559	10,414	183,973	60.000
2023	9,211,785	20.000	180,551	10,833	191,384	60.000
2024	9,396,021	20.000	184,162	11,050	195,212	60.000
2025	9,396,021	20.000	184,162	11,050	195,212	60.000
2026	9,583,941	20.000	187,845	11,271	199,116	60.000
2027	9,583,941	20.000	187,845	11,271	199,116	60.000
2028	9,775,620	20.000	191,602	11,496	203,098	60.000
2029	9,775,620	20.000	191,602	11,496	203,098	60.000
2030	9,971,133	20.000	195,434	11,726	207,160	60.000
2031	9,971,133	20.000	195,434	11,726	207,160	60.000
2032	10,170,555	20.000	199,343	11,961	211,303	60.000
2033	10,170,555	20.000	199,343	11,961	211,303	60.000
2034	10,373,966	20.000	203,330	12,200	215,530	60.000
2035	10,373,966	20.000	203,330	12,200	215,530	60.000
2036	10,581,446	20.000	207,396	12,444	219,840	60.000
2037	10,581,446	20.000	207,396	12,444	219,840	60.000
2038	10,793,075	20.000	211,544	12,693	224,237	60.000
2039	10,793,075	20.000	211,544	12,693	224,237	60.000
2040	11,008,936	20.000	215,775	12,947	228,722	60.000
2041	11,008,936	20.000	215,775	12,947	228,722	60.000
2042	11,229,115	20.000	220,091	13,205	233,296	60.000
2043	11,229,115	20.000	220,091	13,205	233,296	60.000
2044	11,453,697	20.000	224,492	13,470	237,962	60.000
2045	11,453,697	20.000	224,492	13,470	237,962	60.000
2046	11,682,771	20.000	228,982	13,739	242,721	60.000
2047	11,682,771	20.000	228,982	13,739	242,721	60.000
2048	11,916,427	20.000	233,562	14,014	247,576	60.000
			5,834,865	350,092	6,184,957	

SHERIDAN STATION METROPOLITAN DISTRICT

Development Projection (+ Future Inclusion Area) - Buildout (updated 6/13/16)

Residential Development

YEAR	SFD1 # Lots Devel'd	SFD1 Incr/(Decr) in Finished Lot Value @ 10%	SFD1 # Units Completed 9 target	SFD1 Price Inflated @ 2%	SFD1 Market Value	SFD2 # Lots Devel'd	SFD2 Incr/(Decr) in Finished Lot Value @ 10%	SFD2 # Units Completed 5 target	SFD2 Price Inflated @ 2%	SFD2 Market Value	RH1 # Lots Devel'd	RH1 Incr/(Decr) in Finished Lot Value @ 10%	RH1 # Units Completed 96 target	RH1 Price Inflated @ 2%	RH1 Market Value
2015	0	0			0	0	0			0	0	0			0
2016	2	82,150		$410,750	0	1	53,000		$530,000	0	22	699,600		$318,000	0
2017	2	0	2	410,750	821,500	1	0	1	530,000	530,000	22	0	22	318,000	6,996,000
2018	2	0	2	418,965	837,930	1	0	1	540,600	540,600	22	0	22	324,360	7,135,920
2019	2	0	2	427,344	854,689	1	0	1	551,412	551,412	22	0	22	330,847	7,278,638
2020	1	(41,075)	2	435,891	871,782	1	0	1	562,440	562,440	8	(445,200)	22	337,464	7,424,211
2021	0	(41,075)	1	444,609	444,609	0	(53,000)	1	573,689	573,689	0	(254,400)	8	344,213	2,753,707
2022	0	0	0	453,501	0	0	0	0	585,163	0	0	0	0	351,098	0
2023	0	0	0	462,571	0	0	0	0	596,866	0	0	0	0	358,120	0
2024	0	0	0	471,823	0	0	0	0	608,803	0	0	0	0	365,282	0
2025	0	0	0	481,259	0	0	0	0	620,979	0	0	0	0	372,588	0
2026	0	0	0	490,884	0	0	0	0	633,399	0	0	0	0	380,039	0
2027		0	0	500,702	0		0	0	646,067	0		0	0	387,640	0
	9	0	9		3,830,510	5	0	5		2,758,141	96	(0)	96		31,588,477

SHERIDAN STATION METROPOLITAN DISTRICT

Development Projection (+ Future Inclusion Area) - Buildout (updated 6/13/16)

	RH2					RH3					Duplex				
YEAR	# Lots Devel'd	Incr/(Decr) in Finished Lot Value @ 10%	# Units Completed 30 target	Price Inflated @ 2%	Market Value	# Lots Devel'd	Incr/(Decr) in Finished Lot Value @ 10%	# Units Completed 35 target	Price Inflated @ 2%	Market Value	# Lots Devel'd	Incr/(Decr) in Finished Lot Value @ 10%	# Units Completed 30 target	Price Inflated @ 2%	Market Value
2015	0	0			0	0	0			0	0	0			0
2016	7	278,250		$397,500	0	8	275 600		$344,500	0	7	324,625		$463,750	0
2017	7	0	7	397,500	2,782,500	8	0	8	344,500	2,756,000	7	0	7	463,750	3,246,250
2018	7	0	7	405,450	2,838,150	8	0	8	351,390	2,811,120	7	0	7	473,025	3,311,175
2019	7	0	7	413,559	2,894,913	8	0	8	358,418	2,867,342	7	0	7	482,486	3,377,399
2020	2	(198,750)	7	421,830	2,952,811	3	(172 250)	8	365,586	2,924,689	2	(231,875)	7	492,135	3,444,946
2021	0	(79,500)	2	430,267	860,534	0	(103 350)	3	372,898	1,118,694	0	(92,750)	2	501,978	1,003,956
2022	0	0	0	438,872	0	0	0	0	380,356	0	0	0	0	512,017	0
2023	0	0	0	447,650	0	0	0	0	387,963	0	0	0	0	522,258	0
2024	0	0	0	456,603	0	0	0	0	395,722	0	0	0	0	532,703	0
2025	0	0	0	465,735	0	0	0	0	403,637	0	0	0	0	543,357	0
2026	0	0	0	475,049	0	0	0	0	411,709	0	0	0	0	554,224	0
2027		0	0	484,550	0		0	0	419,944	0		0	0	565,309	0
	30	0	30		12,326,908	35	(0)	35		12,477,845	30	0	30		14,383,726

SHERIDAN STATION METROPOLITAN DISTRICT

Development Projection (+ Future Inclusion Area) - Buildout (updated 6/13/16)

YEAR	Apts (For Rent) # Lots Devel'd	Incr/(Decr) in Finished Lot Value @ 10%	# Units Completed 201 target	Price Inflated @ 2%	Market Value	Residential Summary: Total Residential Market Value	Total Res'l Units	Value of Platted & Developed Lots: Adjustment[1]	Adj. Value
2015	0	0			0	$0	0	0	0
2016	0	0		$175,000	0	0	0	0	1,713,225
2017	101	1,767,500		175,000	0	17,132,250	47	0	1,767,500
2018	100	(17,500)	101	178,500	18,028,500	35,503,395	148	0	(17,500)
2019	0	(1,750,000)	100	182,070	18,207,000	36,031,393	147	0	(1,750,000)
2020	0	0	0	185,711	0	18,180,881	47	0	(1,089,150)
2021	0	0	0	189,426	0	6,755,189	17	0	(624,075)
2022	0	0	0	193,214	0	0	0	0	0
2023	0	0	0	197,078	0	0	0	0	0
2024	0	0	0	201,020	0	0	0	0	0
2025	0	0	0	205,040	0	0	0	0	0
2026	0	0	0	209,141	0	0	0	0	0
2027		0	0	213,324	0	0	0	0	0
	201	0	201		36,235,500	113,603,107	406	0	0

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SOURCES AND USES OF FUNDS

SHERIDAN STATION METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2018
40.00 (target) Mills
Non-Rated, 100x @ target, 30-yr. Maturity
(sc2: + Future Inclusion Area)
[Preliminary -- for discussion only]

Dated Date	12/01/2018
Delivery Date	12/01/2018

Sources:

Bond Proceeds:		
Par Amount		6,270,000.00
		6,270,000.00

Uses:

Project Fund Deposits:		
Project Fund		5,068,615.16
Other Fund Deposits:		
Capitalized Interest Fund	468,334.84	
Debt Service Reserve Fund	482,250.00	
	950,584.84	
Other Delivery Date Expenses:		
Cost of Issuance (est.)		250,800.00
		6,270,000.00

BOND SUMMARY STATISTICS

SHERIDAN STATION METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2018
40.00 (target) Mills
Non-Rated, 100x @ target, 30-yr. Maturity
(sc2: + Future Inclusion Area)
[Preliminary -- for discussion only]

Dated Date	12/01/2018
Delivery Date	12/01/2018
First Coupon	06/01/2019
Last Maturity	12/01/2048
Arbitrage Yield	5.000000%
True Interest Cost (TIC)	5.000000%
Net Interest Cost (NIC)	5.000000%
All-In TIC	5.324681%
Average Coupon	5.000000%
Average Life (years)	21.746
Duration of Issue (years)	13.014
Par Amount	6,270,000.00
Bond Proceeds	6,270,000.00
Total Interest	6,817,250.00
Net Interest	6,817,250.00
Bond Years from Dated Date	136,345,000.00
Bond Years from Delivery Date	136,345,000.00
Total Debt Service	13,087,250.00
Maximum Annual Debt Service	976,500.00
Average Annual Debt Service	436,241.67
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
30-yr Term Bond	6,270,000.00	100.000	5.000%	21.746	9,718.50
	6,270,000.00			21.746	9,718.50

	TIC	All-In TIC	Arbitrage Yield
Par Value	6,270,000.00	6,270,000.00	6,270,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense			
- Other Amounts		-250,800.00	
Target Value	6,270,000.00	6,019,200.00	6,270,000.00
Target Date	12/01/2018	12/01/2018	12/01/2018
Yield	5.000000%	5.324681%	5.000000%

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DETAILED BOND DEBT SERVICE

SHERIDAN STATION METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2018
40.00 (target) Mills
Non-Rated, 100x @ target, 30-yr. Maturity
(sc2: + Future Inclusion Area)
[Preliminary -- for discussion only]

30-yr Term Bond

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2019			156,750	156,750	
12/01/2019			156,750	156,750	313,500
06/01/2020			156,750	156,750	
12/01/2020			156,750	156,750	313,500
06/01/2021			156,750	156,750	
12/01/2021			156,750	156,750	313,500
06/01/2022			156,750	156,750	
12/01/2022	55,000	5.000%	156,750	211,750	368,500
06/01/2023			155,375	155,375	
12/01/2023	70,000	5.000%	155,375	225,375	380,750
06/01/2024			153,625	153,625	
12/01/2024	80,000	5.000%	153,625	233,625	387,250
06/01/2025			151,625	151,625	
12/01/2025	85,000	5.000%	151,625	236,625	388,250
06/01/2026			149,500	149,500	
12/01/2026	100,000	5.000%	149,500	249,500	399,000
06/01/2027			147,000	147,000	
12/01/2027	100,000	5.000%	147,000	247,000	394,000
06/01/2028			144,500	144,500	
12/01/2028	115,000	5.000%	144,500	259,500	404,000
06/01/2029			141,625	141,625	
12/01/2029	120,000	5.000%	141,625	261,625	403,250
06/01/2030			138,625	138,625	
12/01/2030	135,000	5.000%	138,625	273,625	412,250
06/01/2031			135,250	135,250	
12/01/2031	140,000	5.000%	135,250	275,250	410,500
06/01/2032			131,750	131,750	
12/01/2032	160,000	5.000%	131,750	291,750	423,500
06/01/2033			127,750	127,750	
12/01/2033	165,000	5.000%	127,750	292,750	420,500
06/01/2034			123,625	123,625	
12/01/2034	180,000	5.000%	123,625	303,625	427,250
06/01/2035			119,125	119,125	
12/01/2035	190,000	5.000%	119,125	309,125	428,250
06/01/2036			114,375	114,375	
12/01/2036	210,000	5.000%	114,375	324,375	438,750
06/01/2037			109,125	109,125	
12/01/2037	220,000	5.000%	109,125	329,125	438,250
06/01/2038			103,625	103,625	
12/01/2038	240,000	5.000%	103,625	343,625	447,250
06/01/2039			97,625	97,625	
12/01/2039	250,000	5.000%	97,625	347,625	445,250
06/01/2040			91,375	91,375	
12/01/2040	275,000	5.000%	91,375	366,375	457,750
06/01/2041			84,500	84,500	
12/01/2041	285,000	5.000%	84,500	369,500	454,000
06/01/2042			77,375	77,375	
12/01/2042	310,000	5.000%	77,375	387,375	464,750
06/01/2043			69,625	69,625	
12/01/2043	325,000	5.000%	69,625	394,625	464,250
06/01/2044			61,500	61,500	
12/01/2044	350,000	5.000%	61,500	411,500	473,000
06/01/2045			52,750	52,750	
12/01/2045	370,000	5.000%	52,750	422,750	475,500
06/01/2046			43,500	43,500	
12/01/2046	395,000	5.000%	43,500	438,500	482,000
06/01/2047			33,625	33,625	
12/01/2047	415,000	5.000%	33,625	448,625	482,250
06/01/2048			23,250	23,250	
12/01/2048	930,000	5.000%	23,250	953,250	976,500
	6,270,000		6,817,250	13,087,250	13,087,250

NET DEBT SERVICE

SHERIDAN STATION METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2018
40.00 (target) Mills
Non-Rated, 100x @ target, 30-yr. Maturity
(sc2: + Future Inclusion Area)
[Preliminary -- for discussion only]

Period Ending	Principal	Interest	Total Debt Service	Debt Service Reserve Fund	Capitalized Interest Fund	Net Debt Service
12/01/2019		313,500	313,500		-313,500	
12/01/2020		313,500	313,500	-482.25	-156,750	156,267.75
12/01/2021		313,500	313,500	-964.50		312,535.50
12/01/2022	55,000	313,500	368,500	-964.50		367,535.50
12/01/2023	70,000	310,750	380,750	-964.50		379,785.50
12/01/2024	80,000	307,250	387,250	-964.50		386,285.50
12/01/2025	85,000	303,250	388,250	-964.50		387,285.50
12/01/2026	100,000	299,000	399,000	-964.50		398,035.50
12/01/2027	100,000	294,000	394,000	-964.50		393,035.50
12/01/2028	115,000	289,000	404,000	-964.50		403,035.50
12/01/2029	120,000	283,250	403,250	-964.50		402,285.50
12/01/2030	135,000	277,250	412,250	-964.50		411,285.50
12/01/2031	140,000	270,500	410,500	-964.50		409,535.50
12/01/2032	160,000	263,500	423,500	-964.50		422,535.50
12/01/2033	165,000	255,500	420,500	-964.50		419,535.50
12/01/2034	180,000	247,250	427,250	-964.50		426,285.50
12/01/2035	190,000	238,250	428,250	-964.50		427,285.50
12/01/2036	210,000	228,750	438,750	-964.50		437,785.50
12/01/2037	220,000	218,250	438,250	-964.50		437,285.50
12/01/2038	240,000	207,250	447,250	-964.50		446,285.50
12/01/2039	250,000	195,250	445,250	-964.50		444,285.50
12/01/2040	275,000	182,750	457,750	-964.50		456,785.50
12/01/2041	285,000	169,000	454,000	-964.50		453,035.50
12/01/2042	310,000	154,750	464,750	-964.50		463,785.50
12/01/2043	325,000	139,250	464,250	-964.50		463,285.50
12/01/2044	350,000	123,000	473,000	-964.50		472,035.50
12/01/2045	370,000	105,500	475,500	-964.50		474,535.50
12/01/2046	395,000	87,000	482,000	-964.50		481,035.50
12/01/2047	415,000	67,250	482,250	-964.50		481,285.50
12/01/2048	930,000	46,500	976,500	-483,214.50		493,285.50
	6,270,000	6,817,250	13,087,250	-509,738.25	-470,250	12,107,261.75

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BOND SOLUTION

SHERIDAN STATION METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2018
40.00 (target) Mills
Non-Rated, 100x @ target, 30-yr. Maturity
(sc2: + Future Inclusion Area)
[Preliminary -- for discussion only]

Period Ending	Proposed Principal	Proposed Debt Service	Debt Service Adjustments	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
12/01/2019		313,500	-313,500		98,609	98,609	
12/01/2020		313,500	-157,232	156,268	216,960	60,692	138.83857%
12/01/2021		313,500	-965	312,536	315,048	2,512	100.80375%
12/01/2022	55,000	368,500	-965	367,536	367,945	410	100.11147%
12/01/2023	70,000	380,750	-965	379,786	382,768	2,983	100.78534%
12/01/2024	80,000	387,250	-965	386,286	390,423	4,138	101.07122%
12/01/2025	85,000	388,250	-965	387,286	390,423	3,138	100.81024%
12/01/2026	100,000	399,000	-965	398,036	398,232	196	100.04935%
12/01/2027	100,000	394,000	-965	393,036	398,232	5,196	101.32213%
12/01/2028	115,000	404,000	-965	403,036	406,197	3,161	100.78432%
12/01/2029	120,000	403,250	-965	402,286	406,197	3,911	100.97221%
12/01/2030	135,000	412,250	-965	411,286	414,321	3,035	100.73793%
12/01/2031	140,000	410,500	-965	409,536	414,321	4,785	101.16840%
12/01/2032	160,000	423,500	-965	422,536	422,607	71	100.01690%
12/01/2033	165,000	420,500	-965	419,536	422,607	3,071	100.73210%
12/01/2034	180,000	427,250	-965	426,286	431,059	4,774	101.11980%
12/01/2035	190,000	428,250	-965	427,286	431,059	3,774	100.88314%
12/01/2036	210,000	438,750	-965	437,786	439,680	1,895	100.43280%
12/01/2037	220,000	438,250	-965	437,286	439,680	2,395	100.54764%
12/01/2038	240,000	447,250	-965	446,286	448,474	2,188	100.49035%
12/01/2039	250,000	445,250	-965	444,286	448,474	4,188	100.94271%
12/01/2040	275,000	457,750	-965	456,786	457,443	658	100.14401%
12/01/2041	285,000	454,000	-965	453,036	457,443	4,408	100.97295%
12/01/2042	310,000	464,750	-965	463,786	466,592	2,807	100.60517%
12/01/2043	325,000	464,250	-965	463,286	466,592	3,307	100.71375%
12/01/2044	350,000	473,000	-965	472,036	475,924	3,889	100.82378%
12/01/2045	370,000	475,500	-965	474,536	475,924	1,389	100.29261%
12/01/2046	395,000	482,000	-965	481,036	485,443	4,407	100.91615%
12/01/2047	415,000	482,250	-965	481,286	485,443	4,157	100.86373%
12/01/2048	930,000	976,500	-483,215	493,286	495,151	1,866	100.37825%
	6,270,000	13,087,250	-979,988	12,107,262	12,349,270	242,008	

EXHIBIT F

SPECIAL DISTRICT PUBLIC DISCLOSURE DOCUMENT

As required pursuant to Section 32-1-104.8 of the Colorado Revised Statutes ("**C.R.S.**"), this Public Disclosure Document has been prepared by the Sheridan Station West Metropolitan District (the "**District**") to provide information regarding the District.

DISTRICT'S POWERS

The powers of the District as authorized by Section 32-1-1004, C.R.S., and under its Service Plan ("**Service Plan**"), are to plan for, design, finance, acquire, construct, install, relocate, and/or redevelop certain public improvements, including, but not limited to, streets, safety protection and security, water, sewer, storm drainage, transportation, mosquito control, covenant enforcement and park and recreation improvements.

DISTRICT'S SERVICE PLAN

The District's Service Plan, which can be amended from time to time, includes a description of the District's powers and authority. A copy of the District's Service Plan is available from the Division of Local Government in the State Department of Local Affairs ("**Division**").

The Sheridan Station West Metropolitan District is authorized by Title 32 of the Colorado Revised Statutes to use a number of methods to raise revenues for capital needs and general operations costs. These methods, subject to the limitations imposed by Section 20 of Article X of the Colorado Constitution ("**TABOR**"), include issuing debt, levying taxes, and imposing fees and charges. Information concerning District directors, management, meetings, elections, and current taxes are provided annually in the Notice to Electors described in Section 32-1-809(1), C.R.S., which can be found at the District office, on file at the Division, or on file at the office of the Clerk and Recorder of Jefferson County.

Pursuant to the Service Plan, the District is authorized to impose a Maximum Debt Mill Levy of fifty (50) mills for debt repayment.

DISTRICT CONTACT INFORMATION

For information regarding the District's authority and operations, please contact the District's Manager:

DISTRICT MAP

A map of the District's boundaries is attached hereto as **Exhibit A**.

Dated this _____ day of ______________, 2016.

EXHIBIT A TO DISCLOSURE

District Map